
**Summary of Largest
General Government (100) Fund
FY 2020 Year-End Variances**

**Updated December 16, 2020
Treasury Division**

Overall Variance

- Based on a review of period-to-date revenues posted through December 16, 2020, Treasury projects a negative (\$22.2M) year-end variance for general government (100) fund revenues in FY 2020.
- The projected variance improved about \$1.2M since the previous revenue report presented on November 19.
- The following slides summarize the largest changes and major watch list items.
- For detailed tables and explanations refer to the full report.

Largest Changes and Major Watch List Items

- Investment Earnings negative (\$293k) variance; \$977k improvement
- Room Tax in 100 funds only negative (\$7.9M) variance; \$110k improvement
- Rental Vehicle Tax negative (\$4.3M) variance; no change
- Marijuana Sales Tax positive \$900k variance; no change
- Motor Fuel Tax negative (\$1.6M) variance; (\$130k) worse
- Motor Vehicle Registration Tax negative (\$400k) variance; no change
- Tobacco Tax no variance, but uncertain
- Property Tax positive \$2.2M variance; no change
- P&I on delinquent taxes positive \$437k variance; no change

1) Investment Earnings

Projected year-end revenues: \$2M

Projected variance: negative (\$293k)

Change since previous report: \$977k improvement

- Public Finance projects a negative (\$293k) year-end variance for investment earnings posted to general government (100) funds in FY 2020.
- The variance improved about \$977k since the previous revenue report presented on November 19.
- The investment earnings variance for 100 funds includes a negative (\$3.2M) variance for Cash Pools Short-Term Interest (440010), a positive \$75k for Construction Investment Pool Interest (440020), and a positive \$2.9M variance for TANS Interest Earnings (440030).

2) Room Tax in General Government (100) Funds

Projected year-end revenues: \$5.6M for 100 funds only

Projected variance: negative (\$7.9M) for 100 funds only

Change since previous report: \$110k improvement for 100 funds only

- The projection for room tax revenues improved because the actual rate of decline in October was less than anticipated.
- The projected year-end variance for room tax revenues posted to all 100 and 200 funds is now about negative (\$19M).
- The projected year-end variance for general government (100) funds only (prior to the expense transfer to Visit Anchorage) is now about negative (\$7.9M).
- The variance for the 100 funds improved about \$110k since the previous revenue report.

3) Rental Vehicle Tax

Projected year-end revenues: \$3.0M

Projected variance: negative (\$4.3M)

No change since previous report

- The projected year-end variance for revenues from the rental vehicle tax is about negative (\$4.3M).
- The variance did not change since the previous report.
- The projection will be updated in mid-February after fourth quarter tax returns arrive.

4) Marijuana Sales Tax

Projected year-end revenues: \$5M

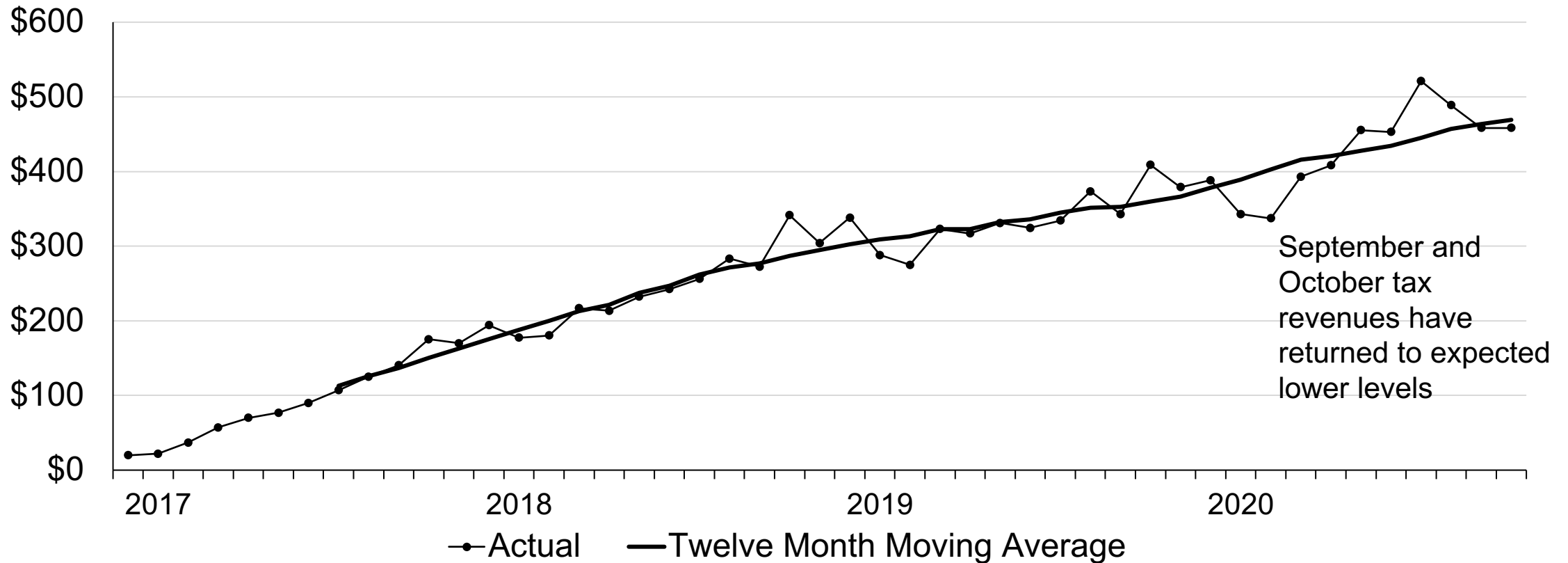
Projected variance: positive \$900k

No change since last report

- As shown in the chart on the next page, marijuana sales tax revenues were lower in September and October compared to the previous months.
- The monthly revenues the last two months are more consistent with the expected slower growth rate.
- The projected year-end variance for marijuana sales tax is positive \$900k and has not changed since the previous revenue report.

4) Marijuana Sales Tax

Actual and Twelve Month Moving Average of Monthly Marijuana Sales Tax Revenues (thousands of dollars)



5) Motor Fuel Tax

Projected year-end revenues: \$11.9M

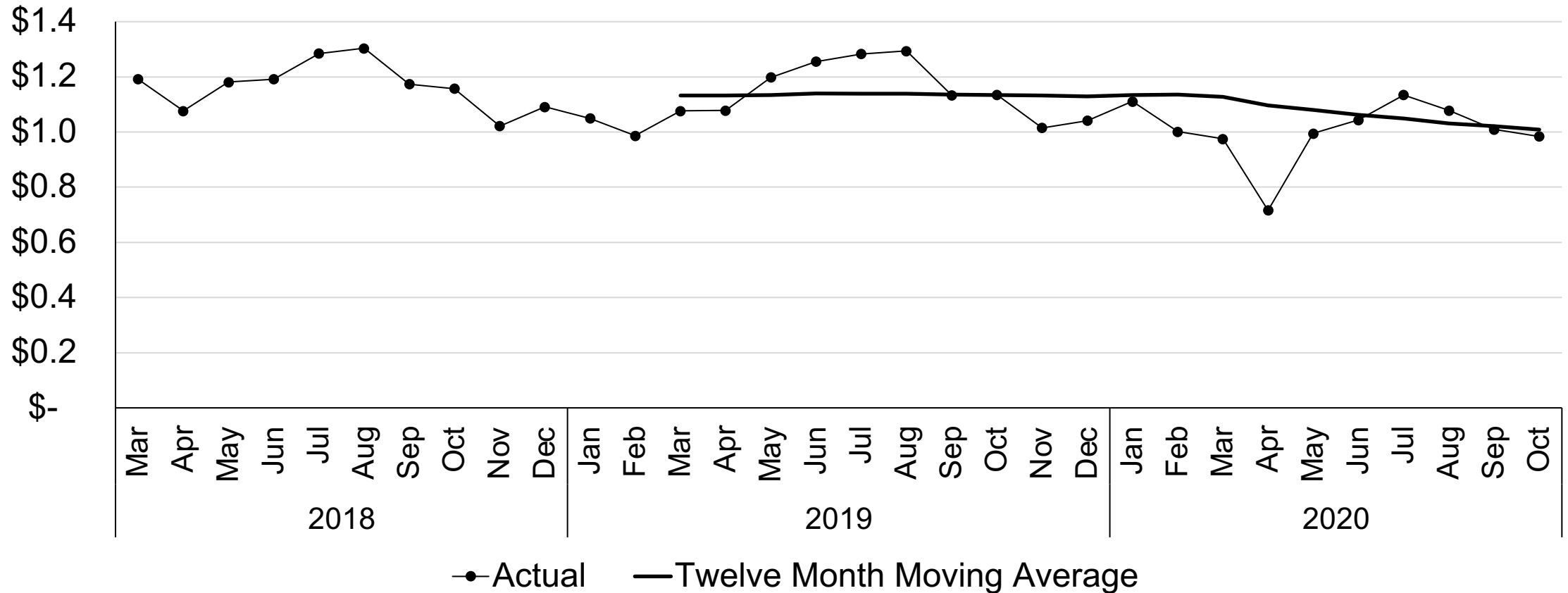
Projected variance: negative (\$1.6M)

Change since previous report: (\$130k) worse

- As shown in the chart below, motor fuel tax revenues through October have continued tracking lower than last year.
- Based on information from the most recent report from the US Energy Information Agency (EIA) year-end revenues from motor fuel tax are projected to be about (12%) lower than last year and about (\$1.6M) below budget.
- The projection is about (\$130k) worse than the previous revenue report.

5) Motor Fuel Tax

Actual and Twelve Month Moving Average for Monthly Revenues from Motor Fuel Excise Tax (millions of dollars)



6) Motor Vehicle Registration Tax

Projected year-end revenues: \$10.3M

Projected variance: negative (\$400k)

No change since previous report

- Period-to-date revenues from the motor vehicle registration tax for January through October are tracking about (6%) lower than the same period last year.
- There is a projected negative (\$400k) year-end variance because businesses and households are buying fewer new vehicles during the recession.
- There was no change in the year-end forecast since the previous report.

7) Tobacco Tax

Projected year-end revenues: \$20M

No projected year-end variance, but uncertain

No change since previous report

- Period-to-date tobacco tax revenues for January through October are tracking (2%) lower than same period last year.
- Monthly tobacco tax revenues vary significantly as the three large tobacco distributors adjust inventories.
- Because of the monthly variability, there is a possibility of either a positive or negative year-end variance.

8) Property Taxes

Projected year-end revenues: \$585M

Projected variance: positive \$2.2M

No change since previous report

- There is a projected positive \$2.2M year-end variance for real and personal property tax revenues combined.
- The projection includes a negative (\$166k) variance for real property tax, a positive \$2M variance for personal property tax, and a positive \$303k variance due to mill rate rounding.
- The projected variance has not changed since the previous revenue report.

9) P&I on Delinquent Property Taxes

Projected year-end revenues: \$3.1M

Projected year-end variance: positive \$437k

No change since previous report

- Period-to-date revenues from penalties and interest on delinquent property taxes for January through November are tracking about 8% higher than the same period last year.
- The postings on SAP include penalties and interest for tax billings in the current year as well as penalties and interest for property tax recoveries from prior years.
- There is a projected positive \$437k year-end variance.
- The projection did not change since the previous revenue report.

Other Variances

These variances may change before the close of the fiscal year:

- Building Safety Fund 163000 negative (\$140k) variance; small change
- Transit Bus Fees negative (\$1.4M) variance; (\$110k) worse
- Parks and Rec Fees negative (\$1.8M) variance; \$180k improvement
- Library Fees negative (\$109k) variance; small change
- APD Counter Fines negative (\$70k) variance; (\$70k) worse
- Ambulance Service Fees negative (\$3.3M) variance; possibly worse
- Municipal Assistance negative (\$4.2M) variance; no change
- PFD garnishments negative (\$634k) variance; no change
- MOA Trust Fund Contribution no variance; no change

10) Building Safety Fund 163000

Projected year-end revenues: \$6.5M

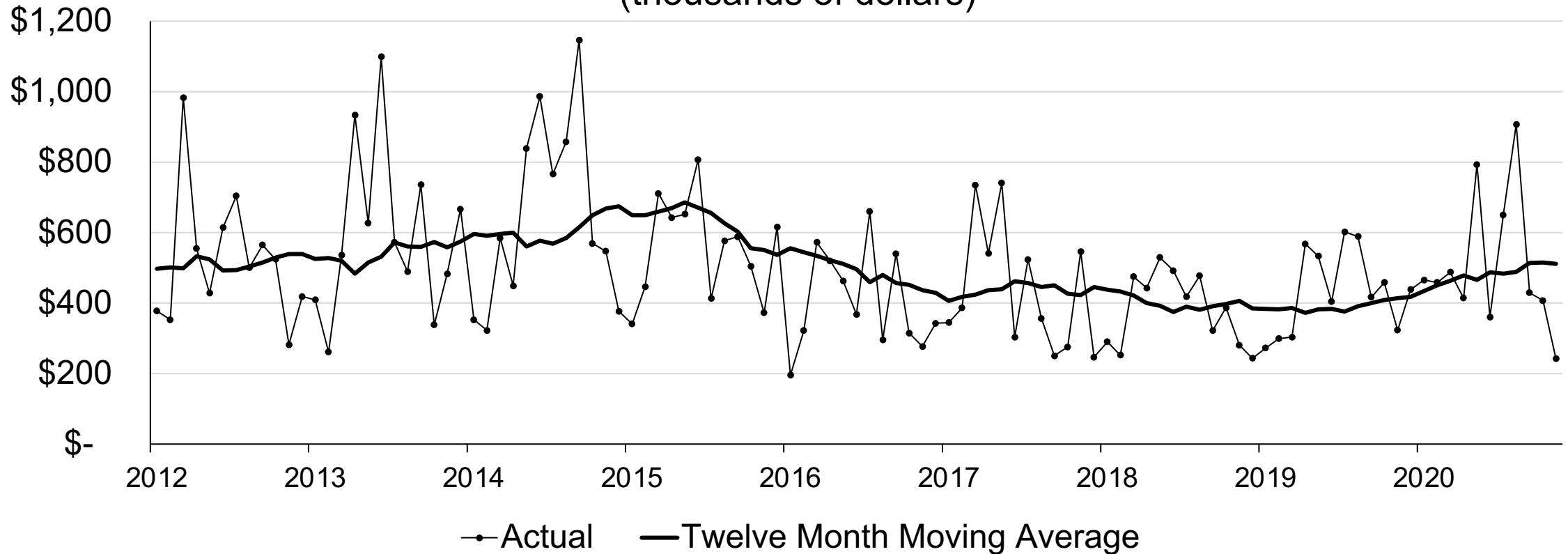
Projected variance: negative (\$140k)

Small change since previous report

- Period-to-date construction-related permit revenues in Fund 163000 for January through November are about 18% higher than the same period last year.
- There is a projected negative (\$140k) year-end variance for Fund 163000.
- There was a small change in the projection since the previous revenue report.

10) Building Safety Fund 163000

Actual and Twelve Month Moving Average of Revenues from Construction-Related Permits in Fund 163 (Building Safety)
(thousands of dollars)



11) People Mover Bus Fare

Projected year-end revenues: \$1.9M

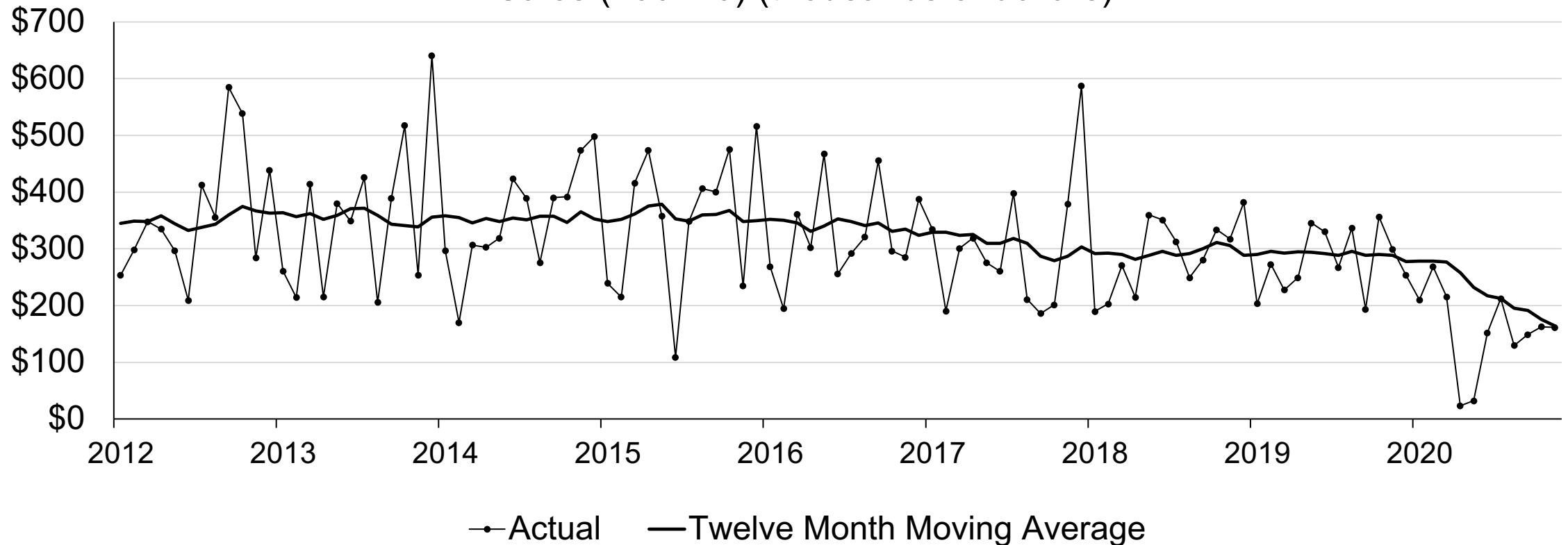
Projected variance: negative (\$1.4M)

Change since previous report: (\$110k) worse

- As shown in the chart on the next page, monthly People Mover bus fare revenues have continued tracking lower than historical levels due to restrictions on the number of riders.
- The projected year-end variance for People Mover bus fare is about negative (\$1.4M).
- The projection is about (\$110k) worse than the previous revenue report.

11) People Mover Bus Fare

Actual and Twelve Month Moving Average of Revenues from Transit Bus Pass Sales (406250), Transit Farebox Receipts (406260), and Transit Token Sales (406240) (thousands of dollars)



12) Parks and Recreation Fees

Projected year-end revenues: \$870k

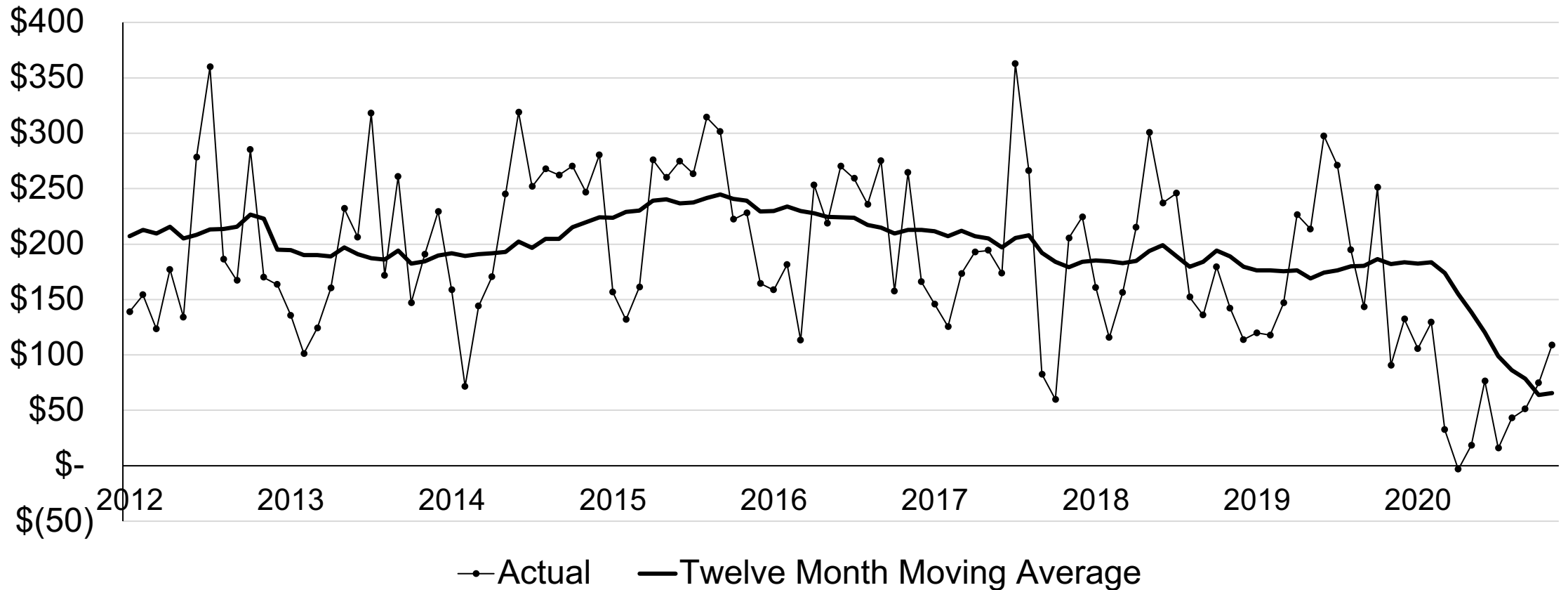
Projected variance: negative (\$1.8M)

Change since previous report: \$180k improvement

- As shown in the chart on the next page, monthly Parks and Recreation fee revenues have continued tracking lower than last year.
- However, monthly Parks and Recreation fees have improved over the last four months.
- The projected year-end variance for Parks and Recreation fee revenues is about negative (\$1.8M).
- The projected variance improved about \$180k since the previous revenue report.

12) Parks and Recreation Fees

Actual and Twelve Month Moving Average of Monthly Parks and Rec Fee Revenues (thousands of dollars)



13) Library Fees

Projected year-end revenues: \$48k

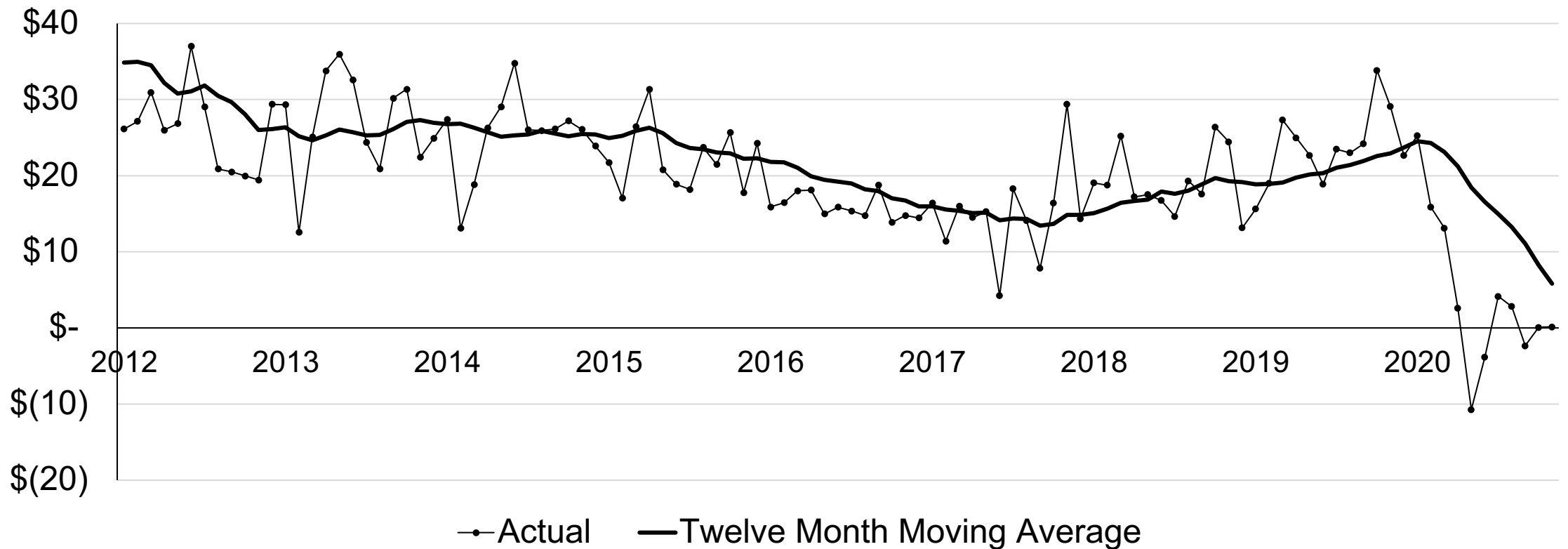
Projected year-end variance: negative (\$109k)

Small change since previous report

- As shown in the chart on the next page, monthly library fee revenues have continued tracking lower than last year due to limited services.
- There is a projected negative (\$109k) variance for library fees.
- There was a small change in the projected year-end variance since the previous revenue report.

13) Library Fees

Actual and Twelve Month Moving Average of Monthly Library Fee Revenues
(thousands of dollars)



14) APD Counter Fines

Projected year-end revenues: \$1.8M

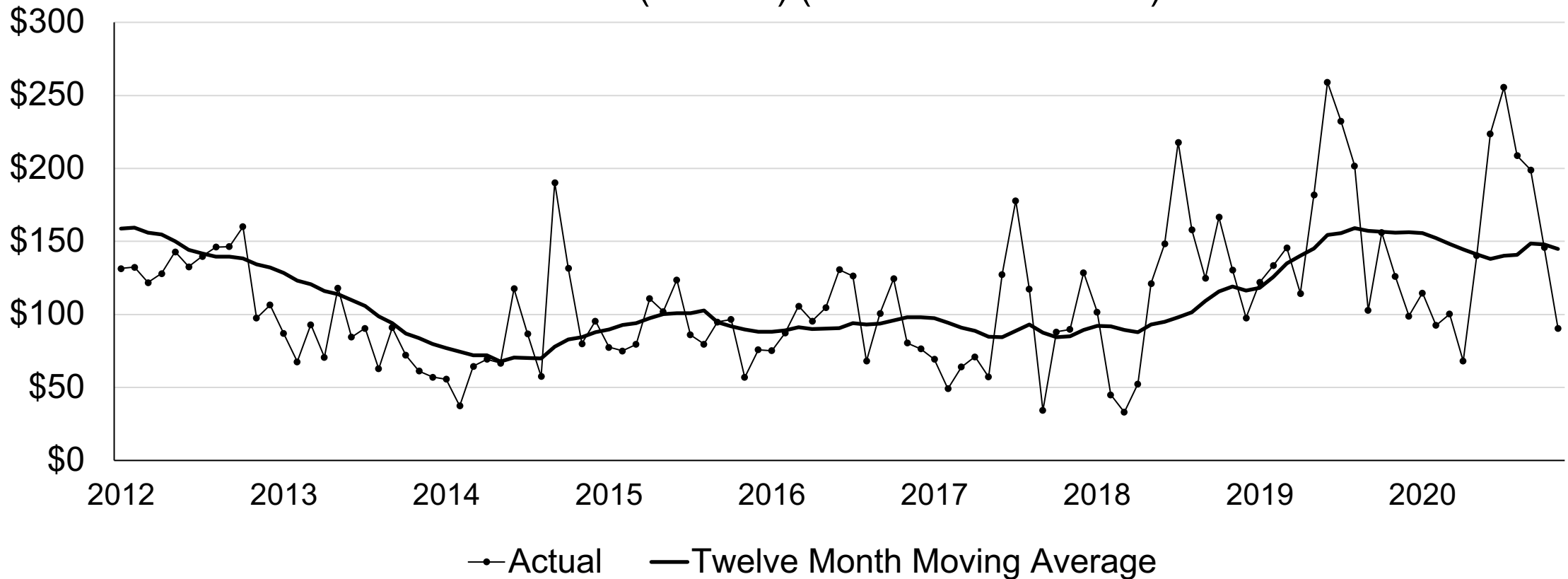
Projected year-end variance: negative (\$70k)

Change since previous revenue report: (\$70k) worse

- Period-to-date APD counter fines for January through November are tracking lower than the same period last year.
- Year-end APD Counter Fines are currently projected to be about (\$70k) below budget.
- There was a small change in the forecast since the previous report.

14) APD Counter Fines

Actual and Twelve-Month Moving Average of Monthly APD Counter Fines Revenues (407040) (thousands of dollars)



15) Ambulance Service Fees

Projected year-end revenues: \$9.3M

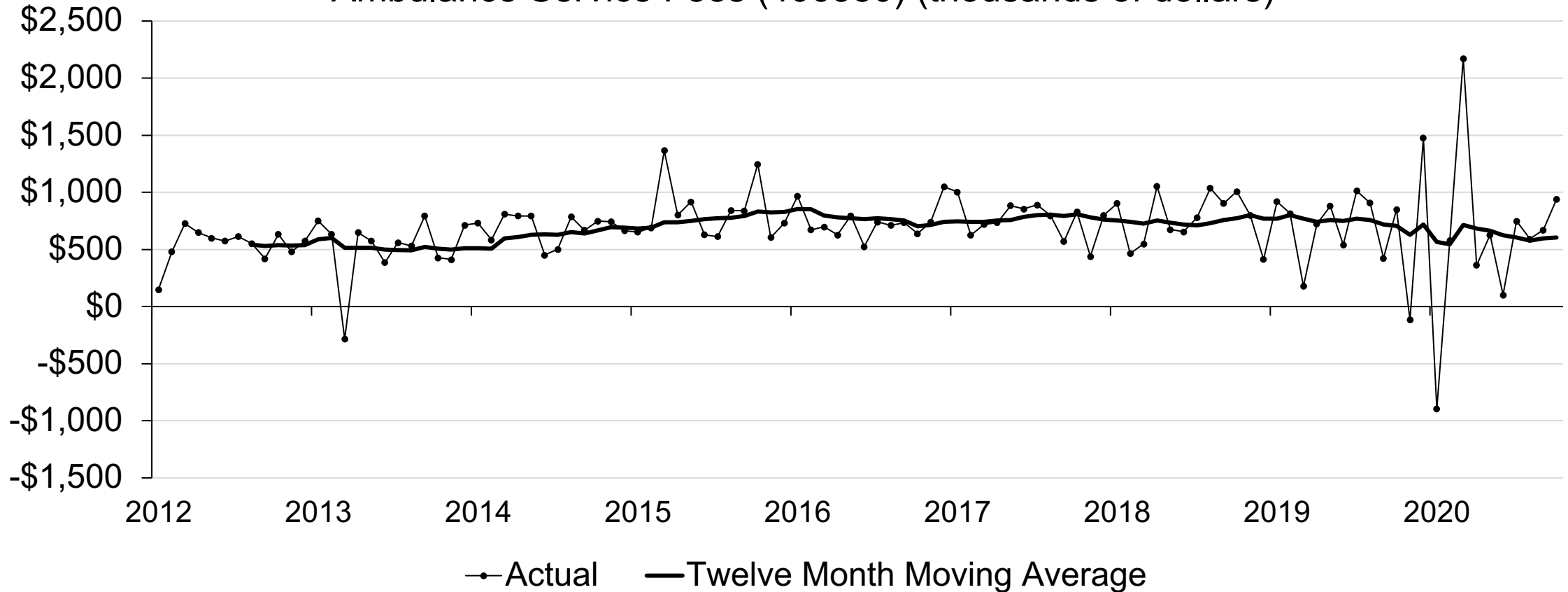
Projected year-end variance: negative (\$3.3M)

No change since previous report

- As explained in previous reports, there is a projected negative (\$3.3M) variance for ambulance service fees because reimbursements from the Supplementary Emergency Medical Transport (SEMT) Program will be deferred until FY 2021.
- Aside from the SEMT reimbursements, period-to-date postings to ambulance service fees for January through October are tracking lower than the same period last year.
- There is a possibility that the year-end variance could be worse than the current projection. Year-end adjustments for allowances for doubtful accounts and assignments to collections could affect the year-end variance.

15) Ambulance Service Fees

Actual and Twelve Month Moving Average of Monthly Revenues from Ambulance Service Fees (406380) (thousands of dollars)



16) Municipal Assistance

Projected year-end revenues: \$375k

Projected year-end variance: negative (\$4.2M)

No change since previous report

- As explained in previous reports, the Municipality received a transfer of \$375k from the State Community Assistance Fund and posted it in account 405050 for Municipal Assistance.
- As of December 16, period-to-date revenues in account 405050 are about (\$4.2M) below budget.
- The tabulations in this report include this negative (\$4.2M) variance for Municipal Assistance.

17) PFD Garnishments

Projected year-end revenues: \$3.4M

Projected variance: negative (\$634k)

No change since last report

- PFD garnishments are on track to reach the current year-end projection of \$3.4M.
- This projection is about (\$634k) below budget.
- The projection has not changed since the previous revenue report.

18) MOA Trust Fund Contribution

Projected year-end revenues: \$14M

No projected variance

No change in variance since previous report

- The MOA Trust Fund Contribution for FY 2020 is \$14M.
- There is no projected year-end variance.
- The proposal to increase the contribution by \$150k will not be implemented.