

Municipality of Anchorage

Fund Balance Review

Presentation to
Municipal Assembly

August 2025



1 Fund Balance Policy

- AR 2015-84 approved on March 24, 2015. The most recent amended Fund Balance Policy was established.
- **Bond Rating Designation** (Committed): **10%** of current year expenditures for the Five Major General Funds, and 8.25% for the Non-Major Governmental Operating Funds.
- **Working Capital Reserve** (Unassigned): **2%** to 3% of current year expenditures for the Five Major General Funds (2% has been used for the past several years), and 2.5% to 20.0% for the Non-Major General Funds.

2 2023 Results

Note 14 of the 2023 ACFR reported that the General Fund was \$50,990,663 short of its 12% Fund Balance Policy goal.

“10%”

49th State Angel Fund	-	-	-	9,348,927	9,348,927
Opioid Settlement	-	-	-	1,058,900	1,058,900
Miscellaneous Operational Grants	-	-	-	17,540	17,540
Debt Service	-	-	-	14,640,420	14,640,420
Total Restricted	2,030,165	410,100,520	-	127,824,545	539,955,230
Committed					
Bond Rating	50,632,938	-	-	-	50,632,938
Capital Improvements	-	-	-	36,389,556	36,389,556
Heritage Land Bank	-	-	-	8,310,590	8,310,590
Miscellaneous Operational Grants	-	-	-	653,530	653,530
Operating Projects Committed	4,315,070	-	-	-	4,315,070
Total Committed	54,948,008	-	-	45,353,676	100,301,684
Assigned					
Nuisance Property Abatement	-	-	-	26,641	26,641
Capital Improvements	-	-	-	838,390	838,390
Cemetery Perpetual Fund	-	-	-	539,939	539,939
E911 Surcharge	-	-	-	214,136	214,136
State Grants	-	-	-	74,877,611	74,877,611
Alcoholic Beverage Sales Tax	-	-	-	714,668	714,668
Federal/State Fines & Forfeitures	-	-	-	106,113	106,113
Miscellaneous Operational Grants	-	-	-	3,812	3,812
Opioid Settlement	-	-	-	59,067	59,067
Property Assessed Clean Energy Pro.	-	-	-	18,328	18,328
Convention Center Operating Fund	-	-	-	2,577,411	2,577,411
Total Assigned	-	-	-	79,976,116	79,976,116
Unassigned					
Working Capital Reserve	11,182,925	-	-	-	11,182,925
Other Unassigned	(50,990,663)	-	(5,416,278)	(341,133)	(56,748,074)
Total Unassigned	(39,807,738)	-	(5,416,278)	(341,133)	(45,565,149)
Total Fund Balance (Deficit)	\$ 72,501,908	\$ 410,100,520	\$ (5,416,278)	\$ 263,419,762	\$ 740,605,912

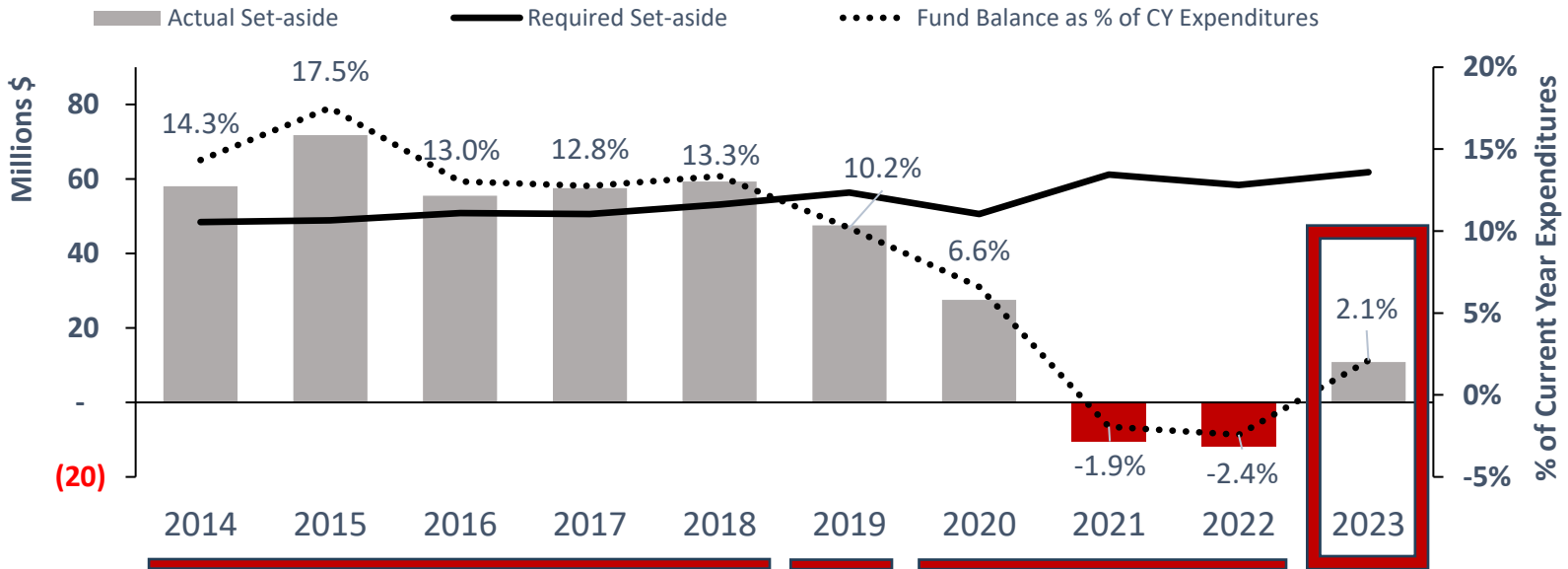
“2%”

“Spendable” fund balance?



3 General Fund Balances 2014 – 2023

- This chart shows the actual ACFR Fund Balance Set-Aside for the Fund Balance Policy.
- ***But!*** 2023 is still not reporting a substantial amount of FEMA revenues for the reimbursement of COVID response expenditures that have been received. ACFR 2024 will show substantial improvement.



2023*: If COVID Grant Funds had reimbursed the General Fund in 2023.

Source: Audited ACFRs.

