

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2005- 47

Title: AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE SECTION
 12.25.040 TO REDUCE THE 2005 MAXIMUM ATTAINABLE TAX REVENUE
 BY AN AMOUNT ATTRIBUTABLE TO EXCLUSION OF THE CHUGIAK FIRE
 SERVICE AREA FROM THE 2005 BUDGET

Sponsor: Mayor
 Preparing Agency: Office of Management and Budget
 Others Impacted: Maintenance and Operations Department

CHANGES IN EXPENDITURES AND REVENUES:	(In Thousands of Dollars)				
	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>
Operating Expenditures					
1000 Personal Services					
2000 Non-Labor					
3900 Contributions					
4000 Debt Service					
TOTAL DIRECT COSTS:	\$ -	\$ -	\$ -	\$ -	\$ -
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES est. not to exceed:					
CAPITAL:					
POSITIONS: FT/PT and Temp					

PUBLIC SECTOR ECONOMIC EFFECTS:

The 2005 approved budget for the Chugiak Fire Service Area includes an estimated tax revenue of \$721,160. With an estimated assessed valuation for the Chugiak Fire Service Area of \$813 million, the preliminary tax rate was 0.89 mills. These taxes were within the Municipal Tax Limitation at the approval of the 2005 Budget. Anchorage Municipal Code (AMC) section 27.30.560 as revised by the residents of the Chugiak Fire Service Area at the April 5, 2005 election, setting the tax levy at a rate not to exceed 1.00 mills, allowing taxes of approximately \$813,000 to be collected. This ordinance allows those taxes to be excluded from the Municipal Tax Limitation, reducing the maximum allowable tax revenue for 2005 as defined in AMC section 12.25.040. This allows the Chugiak Fire Service Area budget to be set at an amount not to exceed \$813,000 in tax cost, as determined by the Chugiak Fire Service Area Board, in the 2005 budget while being excluded from the Municipal Tax Limitation.

PRIVATE SECTOR ECONOMIC EFFECTS:

The 2005 preliminary tax levy represents an estimated cost of \$89 per \$100,000 of assessed valuation. If the tax levy is increased to the maximum 1.00 mills, taxpayers within the Chugiak Fire Service Area will pay an amount not to exceed the 1.00 mills tax levy for fire prevention services, an amount approximately \$100 per \$100,000 of assessed valuation.