



1st Quarter Revisions 2010 General Government Operating Budget

Assembly Work Session
March 19, 2010

The Bottom Line . . .

Compared to 2010 Approved

Spending	Same level
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Revenue	+ \$600K
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Property Taxes	(\$1.9M)
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Other Revenues	+ \$1.3M
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Mill Rate	(0.3)
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Major Spending Changes

■ Savings

■ Debt service/TANS	(\$3.9M)
■ “Scrubbing” budget	(\$707K)
■ Board approved changes	(\$408K)

■ Spending

■ Meet contractual/legal obligations	\$600K
■ Vacancy & Turnover adjustments	\$2.0M
■ GO Bond related expenditures	\$780K
■ Comply Federal requirements	\$595K
■ AFD/APD overtime	\$250K

Revenue Summary

	Non-Property Tax Revenues	IGCs Outside General Government	Fund Balance (All GG)	Property Tax Under Charter Limit	Property Tax SAs with Max Tax Rates
2010 Approved Budget	\$ 155,028,835	\$ 24,865,067	\$ 2,256,602	\$ 222,678,948	\$ 16,480,796
Proposed 1st Quarter Adjustments					
Revenue Adjustments	612,342	-	1,027,820	(1,640,162)	-
Fund Balance Policy Compliance (5 Majors)	-	-	176,293	(176,293)	-
Tax Cap Increases	-	-	-	338,484	-
Expenditure Requests	-	1,006,572	(983,533)	125,382	(461,809)
Service Area Requests	-	-	82,834	-	(112,829)
Total Proposed Revenue Revisions	612,342	1,006,572	303,414	(1,352,589)	(574,638)
2010 Proposed Revised Budget	\$ 155,641,177	\$ 25,871,639	\$ 2,560,016	\$ 221,326,359	\$ 15,906,158

2010 Proposed Property Tax Levy

	Proposed Property Tax Levy
Charter Limited:	
Property Tax Allowed	\$229,517,091
Property Tax Amount Below Tax Cap	(\$8,190,731)
Proposed Charter Limited Tax Levy	\$221,326,360
Voter-Approved Service Area Limits:	
Service Area Levy (not all SA @ max tax)	\$15,906,158
Total Property Tax Levy	\$237,232,518

2010 Total Anticipated Property Tax Collections

	<u>General Government</u>	<u>School District</u>	<u>Total</u>
Tax Subject to Charter Limit	\$221,326,360	\$233,853,777	\$454,980,137
Tax for Service Area Requests	<u>15,906,158</u>	<u><i>Not Applicable</i></u>	<u>15,906,158</u>
Total Property Tax Collections	<u>\$237,232,518</u>	<u>\$233,853,777</u>	<u>\$470,086,295</u>
	50%	50%	100%

Average Property Tax Rate Calculation

$$\frac{\text{Property Tax}}{\text{Taxable Assessed Valuation}} = \text{Tax Rate}$$

General Government Average Tax Rate:

$$\frac{\$237,232,518}{\$31,448,011,018} = 7.54 \text{ mills}$$

Mill Rate Comparison

	2009		2010		2010 Change
	Before Tax Credit	After Tax Credit	Approved	1st Qtr	
General Government	7.98	7.40	7.84	7.54	-0.30
Anchorage School District	7.18	7.18	7.66	7.67	0.01
Combined	15.16	14.58	15.50	15.21	-0.29

	Approved	2010 1st Qtr	Change
Cost per \$100,000 Assessed Value (General Government Only)	\$784	\$754	(\$30)

Approximate Savings on \$300,000 Home: \$90.00

Fund Balance Policy Compliance

Major provisions:

All general funds maintain 8.25% unreserved fund balance - Bond Rating Designation

5 major funds have additional 2.0% to 3.0% unreserved fund balance - Operating Emergency Designation

The following adjustments bring the five major funds into compliance with this policy.

Fund	Description	12/31/09 Unreserved Fund Balance	Bond Rating Requirement 8.25%	Operating Emergency Requirement 3.0%	Fund Balance Adjustment for Policy Compliance
101	Areawide	\$3,995,588	\$6,474,274	\$2,354,282	(\$4,832,968)
131	Anchorage Fire SA	8,293,363	4,454,397	\$1,619,781	\$2,219,185
141	Anchorage Roads & Drainage SA	9,687,606	5,895,487	\$2,143,814	\$1,648,305
151	Police SA	11,910,913	7,597,745	\$2,762,816	\$1,550,352
161	Anchorage Parks & Rec SA	1,974,553	1,747,632	\$635,502	(\$408,581)
Total		\$35,862,023	\$26,169,535	\$9,516,195	\$176,293

Supporting Documentation

■ GG Operating Budget change details	P. 1
■ Tax Cap calculation	P. 7
■ Tax cost / \$100,000 Assessed Value	P. 8
■ Tax rate trends – 10 years	P. 9
■ Tax rate / fund	P. 10
■ Tax rate by district / fund	P. 11
■ AR 2010-103 – GG Operating	P. 12
■ AO 2010-31 – Tax rate	P. 17
■ AR 2010-104 – Utility/Enterprise	P. 21

Next Steps . . .

- Current schedule
 - Introduction March 23
 - Public hearing / action April 13