

FINANCE DEPARTMENT INFORMATION

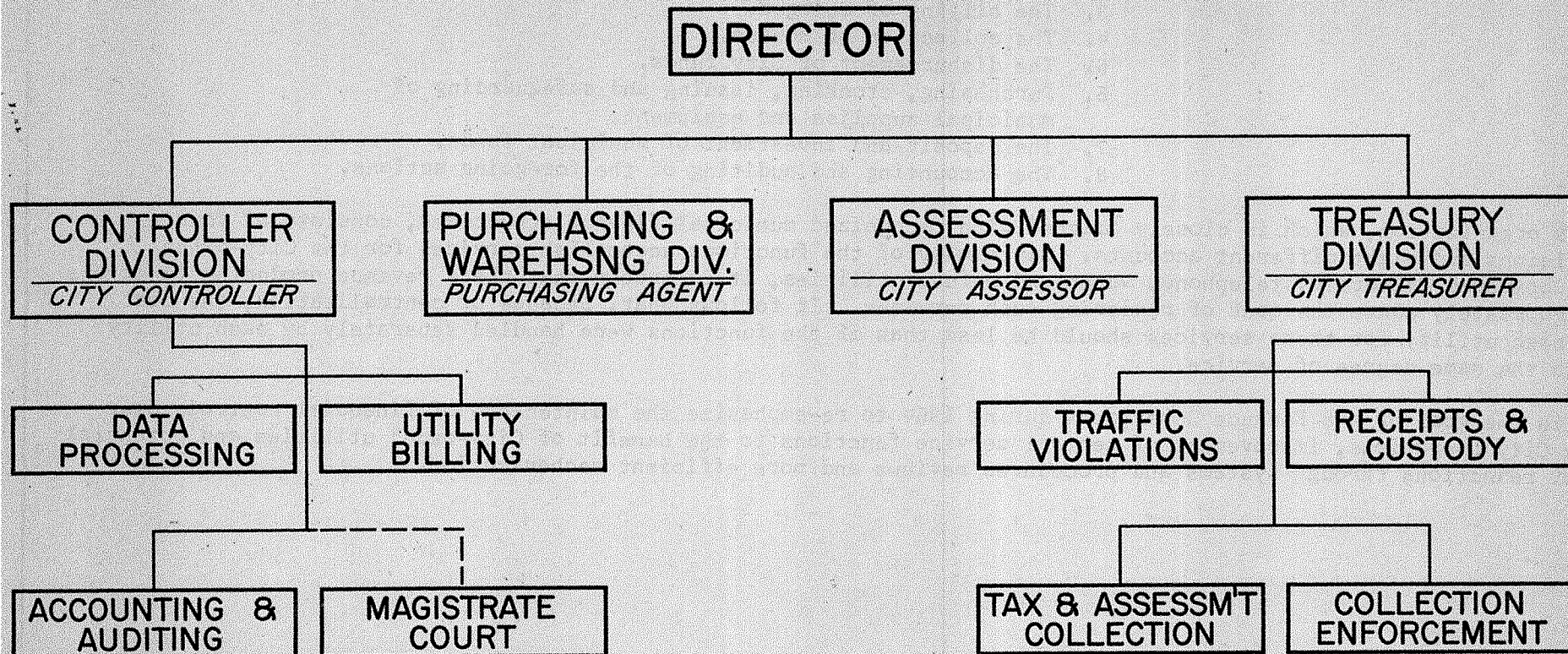
Several separate departments and split functions were reorganized into a central Finance Department early in 1963. The following functions and responsibilities are included directly or indirectly in this department:

1. The determining of income.
2. Assessment of real and personal property.
3. The billing of charges.
4. The collection of monies.
5. The disbursement of City funds.
6. Purchasing, stocking, issuing and safeguarding of municipal supplies and equipment.
7. The deposit and investment of municipal funds.
8. The accounting and auditing of the foregoing actions.

This organization, which is closely aligned with recognized municipal finance structures, consists of four divisions and eight different accounts. Since many of the functions accomplish services for the City-owned and operated electric, telephone, water and refuse utilities, it is proper that these revenue producing functions appropriately share the cost of rendering such services. It follows that, because of centralization, the cost to each utility for these services should be less than if the functions were handled separately by each utility with the same degree of service.

It is the goal of the Finance Department during 1964 to re-emphasize the maintenance of financial controls over all City operations, improvement of central service functions to the benefit of City-owned utilities and potential cost reductions through systems and procedures reviews and more efficient mechanization.

FINANCE DEPARTMENT



----- DENOTES CONTROL AND CO-ORDINATION WITH STATE

DEPARTMENT Finance	DIVISION Controller	ACCOUNT TITLE Court	ACCOUNT NUMBER 1202	SUMMARY			
CLASSIFICATION	ACTUAL COST 1961	ACTUAL COST 1962	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
Personal Services	12,069	15,493	25,850	26,815	24,517	24,517	24,517
Contractual	500	300	7,550	7,650	12,070	11,820	11,320
Supplies	1,373	827	1,250	1,050	1,400	1,250	1,250
Unclassified							
Capital	500	580	1,750	1,750	1,450	1,250	825
Total	14,447	17,200	36,400	37,265	39,437	38,837	37,912
Less							
Interfund Charges							
Grand Total	14,447	17,200	36,400	37,265	39,437	38,837	37,912

*** HIGHLIGHTS OF RECOMMENDED 1964 PROGRAM ***

1. Anticipated 20% caseload increase
2. Increased efficiency through experience

\$\$\$ MAJOR COST VARIATIONS \$\$\$

- | | |
|--------------------------|-------------------|
| 1. Personal Service cost | \$ 2,300 Decrease |
| 2. Salary for Magistrate | \$ 3,500 Increase |

CITY OF ANCHORAGE

DEPARTMENT Finance		DIVISION Controller	ACCOUNT TITLE Court	ACCOUNT NUMBER 1202	DETAIL	
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
	PERSONAL SERVICES					
11	Salaries	20,750	21,715	22,617	22,617	22,617
12	Overtime	1,730	1,780	1,900	1,900	1,900
13	Accrued Leave	3,320	3,320			
	Total	25,800	26,815	24,517	24,517	24,517
	CONTRACTUAL					
20	Miscellaneous Contractual	7,000	7,000	10,500	10,500	10,000
21	Advertising					
22	Contracted Labor & Equipment			420	420	420
23	Electricity and Water					
24	Insurance					
25	City Equipment Rental					
26	Other Rentals					
27	Repairs	150	150	150	150	150
28	Telephone, Telegraph and Tolls	400	400	500	450	450
29	Travel, Dues and Publications	-0-	100	500	300	300
	Total	7,550	7,650	12,070	11,820	11,320
	SUPPLIES					
30	Miscellaneous Supplies					
31	Building Materials					
32	Food, Clothing and Medical					
33	Gas, Oil, Grease and Motor Fuels					
34	Heating Fuel					
35	Household and Janitorial					
36	Office Supplies	500	300	600	450	450
37	Postage	300	300	200	200	200
38	Printed Forms	450	550	600	600	600
39	Small Tools					
	Total	1,250	1,050	1,400	1,250	1,250

DEPARTMENT Finance		DIVISION Controller	ACCOUNT TITLE Court	ACCOUNT NUMBER 1202	DETAIL		
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964	
	UNCLASSIFIED						
40							
41							
	Total						
	CAPITAL						
81	Land						
82	Buildings						
83	Improvements Other Than Buildings						
84	Machinery & Equipment	1,750	1,750	1,450	1,250	825	
	Total	1,750	1,750	1,450	1,250	825	
	Total Expense	36,400	37,265	39,437	38,337	37,912	
	Less Charges to Other Departments or Agencies:						
	Net Budget	36,400	37,265	39,437	38,837	37,912	

PERSONNEL SCHEDULE

DEPARTMENT Finance	DIVISION Controller	ACCOUNT TITLE Court	ACCOUNT NUMBER 1202	PERSONNEL SCHEDULE					
POSITION TITLE	PAY RANGE	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964			
Municipal Court Clerk	577 - 674	1	1	1	7,392	1	7,392	1	7,392
Clerk II Deputy Clerk of Court	433 - 513	2	2	2	10,737	2	10,737	2	10,737
Clerk I	374 - 433	1	1	1	4,488	1	4,488	1	4,488
TOTAL		4	4	4	22,617	4	22,617	4	22,617

The Magistrate Court, Municipal Division, is part of the unified State Court System, operated by the State of Alaska. The City furnishes the court facilities, clerical personnel, and all supplies as required. The City's portion of the State furnished Magistrate's salary has been raised from \$7,000 to \$10,000 per year. Based on a salary increase, the City percentage share remains the same at 70%. The conduct of the court and the personnel assigned to the court is under the direct jurisdiction of the presiding Magistrate. All monies derived through fines and bail forfeitures are deposited to the City's General Fund.

1961-----	2,773 cases-----	*revenue combined with traffic
1962-----	4,239 cases-----	*revenue combined with traffic
1963-----	3,210 cases-----	\$48,033 revenue (first 6 months)
1964-----	7,500 cases-----	\$125,000 estimated revenue

PERSONAL SERVICES

- .11 - No change in Court personnel is required.
.12 - Since arraignments must be held 7 days a week, and a clerk must be present at arraignments, it is necessary to budget overtime for this purpose. The Magistrate desires each clerk to work a standard work week, being compensated on an overtime basis for the weekend work.

- .20 - This is the City's share of the Magistrate's salary paid to the State.
- .22 - The use of armored car service to transport money from the court to the bank was instituted late in 1963.
- .28 - The \$400 budgeted last year for telephone service was slightly inadequate for existing telephone service.
- .29 - Monies budgeted for law books as requested by the Magistrate as necessary for reference purposes; \$300 for return of prisoners. The Manager reduced this item by \$200 since the cost of prisoner return is nebulous and cannot be adequately projected. Any prisoner return cost will be covered by budget revision as necessary throughout the year.

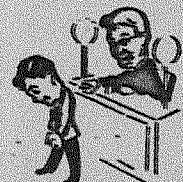
- 36 - Due to increase in cases.

.84 - Adding Machine-----	\$ 250	
Two filing cabinets-----	400	Manager recommends one at \$200
Enclosed Bookcase (Magistrate's Office)-----	150	
Special table for typewriter & verifax machine-----	275	
Typewriter-----	425	

TOTAL	\$1,450
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COUNCIL ADJUSTMENTS

Account .84 is reduced by \$425 to eliminate the recommended typewriter purchase.



CITY OF ANCHORAGE

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	SUMMARY			
Finance	Controller	Accounting	1204	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964	
CLASSIFICATION	ACTUAL COST 1961	ACTUAL COST 1962	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963			
	(Estimated)	(Estimated)					
Personal Services	90,000	115,551	132,396	135,241	135,189	135,189	135,189
Contractual	3,012	4,485	18,094	22,294	32,788	32,788	32,188
Supplies	8,228	8,748	7,500	3,700	9,200	9,200	9,200
Unclassified							
Capital	2,378	2,481		830	6,140	6,140	5,890
Total	103,618	131,265	157,990	166,565	183,317	183,317	182,467
Less							
Interfund Charges	48,644	67,308	58,451	61,629	110,907	110,907	110,907
Grand Total	54,974	63,957	99,539	104,936	72,410	72,410	71,560

*** HIGHLIGHTS OF RECOMMENDED 1964 PROGRAM ***

1. Emphasis on budgetary control.
2. Simplified financial statements through use of exception reporting.
3. General systems review and revision.
4. Strengthened internal control.
5. Improved financial forecasting.

\$\$\$ MAJOR COST VARIATIONS \$\$\$

- | | | |
|----------------------------------|-----------|----------|
| 1. One Clerk deleted | \$ 4,500 | Decrease |
| 2. Salary adjustments | \$ 7,500 | Decrease |
| 3. Systems Analyst added | \$ 12,000 | Increase |
| 4. Computronic payroll equipment | \$ 10,000 | Increase |
| 5. Xerox rental | \$ 1,000 | Increase |
| 6. Duplicating machine | \$ 5,500 | Increase |

Allocation of costs is based on gross revenues.

DEPARTMENT Finance		DIVISION Controller	ACCOUNT TITLE Accounting	ACCOUNT NUMBER 1204	DETAIL	
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
	PERSONAL SERVICES					
11	Salaries	112,411	114,256	132,189	132,189	132,189
12	Overtime	2,000	3,000	3,000	3,000	3,000
13	Accrued Leave	17,985	17,985			
	Total	132,396	135,241	135,189	135,189	135,189
	CONTRACTUAL					
20	Miscellaneous Contractural					
21	Advertising					
22	Contracted Labor & Equipment	12,764	15,664	15,558	15,558	15,558
23	Electricity and Water					
24	Insurance					
25	City Equipment Rental		500	960	960	960
26	Other Rentals	1,080	2,080	13,180	13,180	13,180
27	Repairs	1,500	800	800	800	800
28	Telephone, Telegraph and Tolls	1,750	1,750	1,750	1,750	1,750
29	Travel, Dues and Publications	1,000	1,500	1,500	1,500	900
	Total	18,094	22,294	32,788	32,788	32,188
	SUPPLIES					
30	Miscellaneous Supplies	4,800	5,000	5,000	5,000	5,000
31	Building Materials					
32	Food, Clothing and Medical					
33	Gas, Oil, Grease and Motor Fuels					
34	Heating Fuel					
35	Household and Janitorial					
36	Office Supplies		1,000	1,000	1,000	1,000
37	Postage	200	200	200	200	200
38	Printed Forms	2,500	2,500	3,000	3,000	3,000
39	Small Tools					
	Total	7,500	8,700	9,200	9,200	9,200

DEPARTMENT Finance		DIVISION Controller	ACCOUNT TITLE Accounting	ACCOUNT NUMBER 1204	DETAIL	
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
40	UNCLASSIFIED					
41	Total					
	CAPITAL					
81	Land					
82	Buildings					
83	Improvements Other Than Buildings					
84	Machinery & Equipment		830	6,140	6,140	5,890
	Total		830	6,140	6,140	5,890
	Total Expense	157,920	166,565	183,317	183,317	182,467
	Less Charges to Other Departments or Agencies:					
	1964					
	Telephone 23.7%	26,953	23,316	43,446	43,446	43,446
	Electric 22.4	17,379	13,322	41,063	41,063	41,063
	Water 11.9	9,480	9,994	21,915	21,915	21,815
	Garbage 2.5	4,740	4,997	4,583	4,583	4,583
	Net Budget	22,533	104,936	72,410	72,410	71,560

- (1) Systems Analyst was authorized by Council action July 1, 1963; however, the services of a qualified person have not been secured as of this date.
- (2) The classification represented by these personnel are not performing accounting functions and have been included in this department for supervision purposes only.
- (3) Elimination of one person in this classification due to the introduction of the Computronic bookkeeping machine for payroll preparation.

DEPARTMENT Finance	DIVISION Controller	ACCOUNT TITLE Accounting	ACCOUNT NUMBER 1204	WORK PROGRAM
<u>BASIC FUNCTIONS OF CONTROLLER</u>				
<p><u>Accounting:</u> Functions relating to the recording and protection, from a book standpoint, of the City assets; the recording of transactions as a basis for determining the City revenue, expense, earnings, surplus and financial position; and cost accounting methods, procedures systems, budgets, and the design, installation, and custody of books, records, and forms.</p>				
<p><u>Interpretive:</u> Functions relating to the preparation, analysis, and explanation of financial accounting, cost and statistical results as an aid to management in the direction of City business; for obtaining credit or financial assistance, investment of excess funds, for reports to creditors and Council; or for other purposes of internal and external use.</p>				
<p><u>Auditing:</u> Functions relating to the establishment of internal auditing controls; the objective verification of business, financial and accounting transactions; and the coordination of accounts and internal auditing procedures with the requirement of independent auditors.</p>				
<p><u>Forecasting:</u> Functions relating to the forecast of profits (utilities) and revenue (general fund) as a basis for cash, operating control, capital expenditures and other budgets; the retirement of debt; the improvement of financial condition or for the purpose of expansion or contraction of the City facilities or for the purposes of management control.</p>				
<p><u>Economic:</u> Functions relating to the development and maintenance of economic and statistical information, and the analysis or forecasting of revenue volume, costs, profits and financial position in relation to-past, present and future operation.</p>				
<p>During the last quarter of 1963 and the year 1964, emphasis will be placed upon system methods and procedures revision to gain effective economic use of personnel and to satisfy the need for effective statistical information produced as a by-product of normal functions with economic justification.</p>				
<p>Through earnest effort during 1963, qualified personnel has been secured for this section, a requirement so necessary to have an efficiently operated function. Since Anchorage has reached its majority in the past few years, the importance of timely, functional, and informative reports flowing from this department becomes more and more mandatory. The Independent firm performing the 1963 audit has been requested to give Management a detailed study of the City's internal control problems. It is intended that by implementing the suggested changes a more effective internal control will be maintained of the City's assets.</p>				
<p>The systems and procedures in regard to accounting and control will be materially changed during 1964. The first project which will be introduced January 1 will be a new payroll system. This system has been studied and programmed during 1963. The planned changes for 1964 will be conducted in accordance with the materiality of the need for revision, and as they fit into the total planned integration of the system.</p>				

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Controller	Accounting	1204	

To clearly note the progress of this function it is necessary to separate the costs which have been included for control and supervision but are not a direct part of the accounting function.

<u>Description</u>	<u>Non-Accounting Cost</u>
<u>Salaries</u>	
Finance Director and Stenographer	\$ 20,899
Switchboard Operator	4,752
Messenger	4,624
Duplication Machine Operator	6,781
<u>Contractual and Supplies</u>	
City equipment rental (Messenger's automobile)	960
Xerox rental	3,200
Supplies - duplicating	4,500
<u>Capital</u>	
Duplicating Machine	<u>5,500</u>
Total non-accounting costs	\$ 51,216
Accounting Sections costs	<u>132,101</u>
	<u>183,317</u>

Interfund Charges

Allocation of costs to using departments has been made on the basis of gross revenue of the using department as being the key ratio for work requirements of the section. It is believed this is the most valid and supportable basis for allocation and one that can well be used from this time forward.

DEPARTMENT
FinanceDIVISION
ControllerACCOUNT TITLE
AccountingACCOUNT NUMBER
1204

WORK PROGRAM

ANALYSIS OF DETAIL ACCOUNTSCONTRACTUAL

1204.22 Contracted Labor and Equipment

Data Processing (interdepartmental charge)
Insurance Consultant

\$ 12,558

3,00015,558

1205.25 City Equipment Rental (Vehicle for Mail Clerk)

960

1204.26 Other Rentals

Xerox rental

3,200

Comuptronic Bookkeeping Machine rental

9,980

(Authorized by Council as a lease purchase , August 1963)

13,180SUPPLIES

1204.38 Printed Forms

3,000Normal increase in volume of work processed by the
Accounting Section and based upon requirements for 1963CAPITAL

1204.84 Machinery and Equipment

Desk

250

(To replace wooden desk taken as salvage from another department)

3 file cabinets

225

(to increase storage and access to information)

Work table

75

Bookcase for controller's office

75

* Multilith - Series 2550

5,515COUNCIL ADJUSTMENTS\$ 6,140

Account .20 is reduced \$500 to provide for latest contracted cost of magistrate services.
 Account .29 is reduced \$600 to eliminate Controller attendance at MFOA Convention.
 Account .84 is cut \$250 to defer purchase of desk.

DEPARTMENT Finance	DIVISION Controller	ACCOUNT TITLE Utility Billing	ACCOUNT NUMBER 1290	SUMMARY			
CLASSIFICATION	ACTUAL COST 1961	ACTUAL COST 1962	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
Personal Services	163,920	162,675	173,149	163,715	179,992	179,992	179,992
Contractual	2,430	4,477	1,900	1,900	1,900	1,900	1,900
Supplies	15,100	16,040	21,500	17,500	20,500	20,500	20,500
Unclassified							
Capital	2,500	1,360	1,250	6,000	2,000	2,000	2,000
Total	183,950	184,552	202,799	194,115	204,392	204,392	204,392
Less							
Interfund Charges	183,950	184,552	202,799	194,115	204,392	204,392	204,392
Grand Total	-0-	-0-	-0-	-0-	-0-	-0-	-0-

*** HIGHLIGHTS OF RECOMMENDED 1964 PROGRAM ***

1. Complete systems and procedures study.
2. Reorganization during 1964.
3. Increased concentration on customer service.

\$\$\$ MAJOR COST VARIATIONS \$\$\$

1. Capital requirements reduced \$ 4,000 Decrease
2. Payroll increase over adjusted budget due to lag in acquisition of replacement personnel. \$ 11,000 Increase
3. Additional accounts require increased postage and printed forms. \$ 3,000 Increase

CITY OF ANCHORAGE

DEPARTMENT		DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	DETAIL	
Finance		Controller	Utility Billing	1290		
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
	PERSONAL SERVICES					
11	Salaries	152,129	142,295	177,992	177,992	177,992
12	Overtime	2,000	3,400	2,000	2,000	2,000
13	Accrued Leave	24,020	23,020			
	Total	178,149	168,715	179,992	179,992	179,992
	CONTRACTUAL					
20	Miscellaneous Contractural					
21	Advertising					
22	Contracted Labor & Equipment					
23	Electricity and Water					
24	Insurance					
25	City Equipment Rental					
26	Other Rentals					
27	Repairs	100	100	100	100	100
28	Telephone, Telegraph and Tolls	1,700	1,700	1,700	1,700	1,700
29	Travel, Dues and Publications	100	100	100	100	100
	Total	1,900	1,900	1,900	1,900	1,900
	SUPPLIES					
30	Miscellaneous Supplies					
31	Building Materials					
32	Food, Clothing and Medical					
33	Gas, Oil, Grease and Motor Fuels					
34	Heating Fuel					
35	Household and Janitorial					
36	Office Supplies	2,500	1,500	1,500	1,500	1,500
37	Postage	15,000	12,000	14,000	14,000	14,000
38	Printed Forms	4,000	4,000	5,000	5,000	5,000
39	Small Tools					
	Total	21,500	17,500	20,500	20,500	20,500

DEPARTMENT Finance		DIVISION Controller	ACCOUNT TITLE Utility Billing	ACCOUNT NUMBER 1290	DETAIL	
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
	UNCLASSIFIED					
40						
41						
	Total					
	CAPITAL					
81	Land					
82	Buildings					
83	Improvements Other Than Buildings					
84	Machinery & Equipment	1,250	6,000	2,000	2,000	2,000
	Total	1,250	6,000	2,000	2,000	2,000
	Total Expense	202,799	194,115	204,392	204,392	204,392
	Less Charges to Other Departments or Agencies:					
	Telephone	95,113	91,040	101,992	101,992	91,772
	Electric	36,910	35,329	34,950	34,950	40,060
	Water	38,530	36,892	37,200	37,200	42,310
	Garbage	32,246	30,864	30,250	30,250	30,250
	Net Budget	-0-	-0-	-0-	-0-	-0-

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CITY OF ANCHORAGE

DEPARTMENT		DIVISION	ACCOUNT TITLE		ACCOUNT NUMBER	PERSONNEL SCHEDULE			
Finance		Controller	Utility Billing		1290				
POSITION TITLE	PAY RANGE	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964		MANAGER RECOMMENDS 1964		COUNCIL APPROVED 1964	
Utility Billing Supervisor	759 - 889	1	1	1	10,423	1	10,423	1	10,423
Accountant I	648 - 759	1	1	1	8,354	1	8,354	1	8,354
Accounting Clerk II	577 - 674	3	3	3	22,128	3	22,128	3	22,128
Accounting Clerk I	456 - 534	8	8	8	45,452	8	45,452	8	45,452
Clerk III	513 - 600	8	8	8	51,313	8	51,313	8	51,313
Clerk II	433 - 513	2	2	2	10,746	2	10,746	2	10,746
Clerk I	374 - 438	6	6	6	27,576	6	27,576	6	27,576
TOTAL		29	29	29	175,992	29	175,992	29	175,992
Temporary help as needed during vacations					2,000		2,000		2,000
					177,992		177,992		177,992

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Controller	Utility Billing	1290	

This section of the Finance Department has grown materially during the last few years. The entire function is currently under study by staff for complete revision of the systems, procedures and policies. Because the growth of this section has not been accompanied by change in the manner in which the work is done we have found that the efficiency factor has not significantly improved. It is mandatory that the implementation of new methods be made during the early part of 1964. The capital cost of the system change has been included in the budget so that the system can be programmed and the manuals written as soon as possible. These proposed changes will have the following effect in the future:

1. Quicker access to delinquent conditions of outstanding accounts which will materially affect the City's bad debt loss.
2. Complete control of all billing which will yield considerable revenue now being lost to the City.
3. Substantially increase the efficiency of personnel which will mean a lower unit cost of work processed. Also the work processed will have a greater utility value for use in other areas.

It has been also noted in staff review that any increase in work load of this section over that currently done would cause a breakdown in the flow of work which could mean substantial economic loss to the City as well as substantially affect the working public relations of utility customers. This critical condition cannot be overstressed. It should also be noted here that the systems revision now under study will also affect other operations such as the Treasury function of credit and collection, and the reports issued to the departments and the bills rendered to customers by Data Processing. It is the feeling of staff that no reflection should be made in the budgets submitted of the proposed changes for to do so would be premature and tend to confuse. However, it may be stated at this time that the overall picture of effected budgets indicate a downward trend and, therefore, a saving in fund requirements of these departments, and a distinct improvement of the overall function.

This budget request shows no increase of personnel over that authorized in 1963. The only items where increases are requested are postage and printed forms, which is due to the ever increasing number of bills mailed. The \$2,000 request for machinery and equipment is a lump sum estimate of equipment needs for the forthcoming re-organization. The presentation on the following page identifies the method of allocating utility billing costs to the benefiting utilities.

DEPARTMENT Finance	DIVISION Controller	ACCOUNT TITLE Utility Billing	ACCOUNT NUMBER 1290	WORK PROGRAM			
ALLOCATION OF UTILITY BILLING COSTS							
Designation	Salary Dollar Value	% Telephone Amount	% Electric Amount	% Water Amount	% Garbage Amount		
<u>Tolls & Teletype Operator</u>							
1 Accounting Clk I	5,662						
2 Clerk I	9,224						
1 Clerk II	5,337						
	20,223	100	20,223				
<u>Accounts Receivable*</u>							
1 Accounting Clk I	5,671						
1 Accounting Clk II	7,296						
2 Clerk I	9,240						
1 Clerk III	6,566						
	28,773	36	10,358	21	6,042	23	6,618
						20	5,755
<u>Others**</u>							
6 Accounting Clk II	34,119						
2 Accounting Clk III	14,832						
2 Clerk I	9,112						
1 Clerk II	5,409						
7 Clerk III	44,747						
1 Utility Billing Supervisor	10,423						
1 Accountant I	8,354						
	126,996	45	57,148	19	24,129	20	25,400
						16	20,319
TOTALS	175,992		87,729		30,171		32,018
			49.9%		17.1%		18.2%
							14.8%
* Number of services billed over 9 mo. period 1963	Telephone	137,430	36%	ALLOCATION OF RECOMMENDED BUDGET			
	Electric	79,149	21%	Telephone	49.9%	\$101,992	
	Water	89,038	23%	Electric	17.1%	34,950	
	Garbage	78,419	20%	Water	18.2%	37,200	
		384,036		Garbage	14.8%	30,250	
**Number of work orders pro- cessed over 9 mo. period 1963	Telephone	20,287	45%		100%	\$204,392	
	Electric	8,746	19%				
	Water	9,065	20%				
	Garbage	7,474	16%				
		45,572					

DEPARTMENT Finance	DIVISION Controller	ACCOUNT TITLE Data Processing	ACCOUNT NUMBER 1291	SUMMARY			
CLASSIFICATION	ACTUAL COST 1961	ACTUAL COST 1962	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
Personal Services	44,020	64,023	88,260	89,540	88,987	88,987	88,987
Contractual	18,775	29,132	40,760	40,760	42,245	42,245	41,945
Supplies	8,000	9,986	13,700	13,700	16,500	16,500	16,500
Unclassified							
Capital	500	868	1,500	1,500	1,500	1,500	1,500
Total	71,295	104,009	144,220	145,500	149,232	149,232	148,932
Less							
Interfund Charges	71,295	104,009	144,220	145,500	149,232	149,232	148,932
Grand Total	-0-	-0-	-0-	-0-	-0-	-0-	-0--

*** HIGHLIGHTS OF RECOMMENDED 1964 PROGRAM ***

1. Revise reports to departments to increase their efficiency and reduce personnel time requirements on existing functions.
2. Utilize input information which is to be mechanized during 1964 to decrease error factors and increase control.
3. Introduce methods of step controls which integrate with the overall internal control program.

\$\$\$ MAJOR COST VARIATIONS \$\$\$

1. Contractual - deletion of the cost of vehicle registration purchased from the State. \$ 3,000 Decrease
2. Office supplies reclassified to printed forms. \$ 2,500 Decrease
3. Additional data processing equipment to meet the increased work load requirements. \$ 4,500 Increase
4. Printed forms increased by above reclassification and additional jobs introduced during year \$ 5,000 Increase

DEPARTMENT Finance		DIVISION Controller	ACCOUNT TITLE Data Processing	ACCOUNT NUMBER 1291	DETAIL	
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
	PERSONAL SERVICES					
11	Salaries	73,500	74,780	86,587	36,587	86,587
12	Overtime	3,000	3,000	2,400	2,400	2,400
13	Accrued Leave	11,760	11,760	-0-	-0-	-0-
	Total	38,260	39,540	38,987	38,987	88,987
	CONTRACTUAL					
20	Miscellaneous Contractual					
21	Advertising					
22	Contracted Labor & Equipment	3,000	3,000	-0-	-0-	-0-
23	Electricity and Water					
24	Insurance					
25	City Equipment Rental					
26	Other Rentals	35,160	35,160	39,645	39,645	39,645
27	Repairs	300	300	100	100	100
28	Telephone, Telegraph and Tolls	1,700	1,700	1,700	1,700	1,700
29	Travel, Dues and Publications	600	600	300	800	500
	Total	40,760	40,760	42,245	42,245	41,945
	SUPPLIES					
30	Miscellaneous Supplies					
31	Building Materials					
32	Food, Clothing and Medical					
33	Gas, Oil, Grease and Motor Fuels					
34	Heating Fuel					
35	Household and Janitorial					
36	Office Supplies	3,000	3,000	500	500	500
37	Postage					
38	Printed Forms	10,200	10,200	15,000	15,000	15,000
39	Small Tools	500	500	1,000	1,000	1,000
	Total	13,700	13,700	16,500	16,500	16,500

CITY OF ANCHORAGE

DEPARTMENT Finance		DIVISION Controller	ACCOUNT TITLE Data Processing	ACCOUNT NUMBER 1291	DETAIL		
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964	
40	UNCLASSIFIED						
41							
	Total						
	CAPITAL						
81	Land						
82	Buildings						
83	Improvements Other Than Buildings						
84	Machinery & Equipment	1,500	1,500	1,500	1,500	1,500	
	Total	1,500	1,500	1,500	1,500	1,500	
	Total Expense	144,220	145,500	149,232	149,232	148,932	
	Less Charges to Other Departments or Agencies:						
	Traffic Violations	20,457	20,457	20,917	20,917	20,917	
	Accounting Division	12,764	12,764	12,558	12,558	12,558	
	Assessor	4,447	4,447	7,521	7,521	7,521	
	Traffic Engineer	724	724	212	212	212	
	Telephone Utility	69,069	69,069	52,994	52,994	52,994	
	Electric Utility	13,793	13,793	12,162	12,162	12,162	
	Water Utility	11,076	11,076	11,294	11,294	11,294	
	Garbage Utility	9,718	9,718	10,425	10,425	10,425	
	Police Department	724	724	-0-	-0-	-0-	
	Treasurer	1,148	2,728	4,000	4,000	4,000	
	Public Works	-0-	-0-	739	739	739	
	Allocated Cost	-0-	-0-	16,410	16,410	16,110	
	TOTAL	144,220	145,500	149,232	149,232	148,932	
	Net Budget	-0-	-0-	-0-	-0-	-0-	

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CITY OF ANCHORAGE

DEPARTMENT	DIVISION	ACCOUNT TITLE		ACCOUNT NUMBER		PERSONNEL SCHEDULE			
Finance	Controller	Data Processing		1291					
POSITION TITLE	PAY RANGE	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964		MANAGER RECOMMENDS 1964		COUNCIL APPROVED 1964	
Data Processing Supervisor	925 - 1081	1	1	1	11,886	1	11,886	1	11,886
Procedure Planner(Programmer)	790 - 925	1	1	1	9,821	1	9,821	1	9,821
Tab Equip. Operator II	577 - 674	1	1	1	7,200	1	7,200	1	7,200
Tab Equip. Operator I	494 - 577	2	2	2	12,732	2	12,732	2	12,732
Clerk II*	438 - 513	1	1	0	-0-	0	-0-	0	-0-
Clerk III - Control Clerk	513 - 600	0	0	1	6,156	1	6,156	1	6,156
Key Punch II	513 - 600	1	1	1	6,261	1	6,261	1	6,261
Key Punch I	438 - 513	6	6	6	32,531	6	32,531	6	32,531
TOTAL		13	13	13	86,587	13	86,587	13	86,587

*It is recommended that the Clerk II position be changed to Clerk III to be more in line with like jobs with similar responsibilities in City Hall.

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Controller	Data Processing	1291	

The function of the Data Processing Section is to provide a mechanized high speed service unit available to all City departments. This section is now being utilized by various departments for the following jobs:

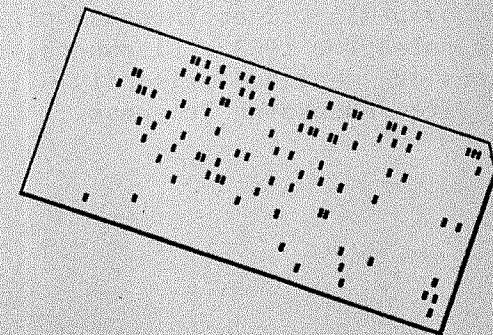
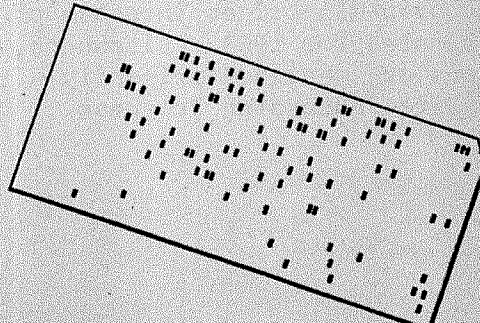
<u>Job</u>	<u>Conversion Year</u>	<u>Division</u>	<u>Department</u>
1. Traffic violations and delinquent notices	1960	Treasury	Finance
2. Telephone toll billing	1960	Controller	Finance
			Telephone
3. Motor Vehicle Registration	1960	Traffic Bureau	Finance
4. Utility Billing	1961-1962	Controller	Finance
			All Utility Depts.
5. General accounting - cost distribution	1962	Controller	Finance
6. Security deposit accounting	1962	Controller	Finance
			All Utility Depts.
7. Traffic accident reporting	1962	Traffic Engr.	Public Works
		Traffic Div.	Police Department
8. All property taxes	1963	Assessor	Finance
		Treasury	Finance
9. Special assessment billing	1963	Engineering	Public Works
		Treasury	Finance
		Controller	Finance
10. Utility billing delinquent notices	1963	Treasurer	Finance

During 1964 it is planned to refine the existing tax procedures and expand upon the existing special assessment procedure. It is also planned to modify the existing traffic violations procedure. These modifications are intended to increase the speed and accuracy of the over-all jobs. In some instances the Data Processing work will be simplified and in others it will require more extensive Data Processing operations.

The over-all budget increase of \$3,732 is primarily due to the increase in printed forms cost over that estimated for 1963. Elsewhere, the costs are primarily the same or lower. The personnel and equipment portions are designed primarily after the proposals made by Peat, Marwick, Mitchell in their May, 1963 Review of Data Processing Progress.

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CITY OF ANCHORAGE				
DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Controller	Data Processing	1291	
<u>JUSTIFICATION</u>				
1291.12	Overtime	Reduced \$600 to be more in line with actual 1963 expenditures. Overtime is necessary primarily because of machine breakdown and lack of sufficient prior notice to complete certain jobs on schedule. Due to the fact we are running on a definite time schedule, any delay due to illness, etc., required overtime to maintain this schedule.		
1291.26	Other Rentals	Explanation given on separate form.		
1291.29	Travel & Dues	Data Processing Management Association dues. National conference, DPMA. Minimum of one Technical School outside.		
1291.38	Printed Forms	Our actual expenditures for 1963 will be approximately 14,000. We have had to use funds from other accounts (.27 and .36) to meet these expenditures. This increase is due primarily to the adoption of 14 new forms for Taxes, Special Assessments and Utility Billing. Several new forms are also anticipated for 1964.		
1291.39	Small Tools	We are in an ever increasing need for additional Machine Control Panels and Plug Wires. New jobs and reports require additional panels and wires. We are now operating with no surplus panels on most machines. This requires the re-wiring of panels for numerous operations and special jobs. The additional equipment listed in 1291.26 will further this need.		
1291.84	Equipment	4 tab cardfiles	\$900	To meet our expanded card file volumes.
		1 control panel rack	200	To eliminate "stacking" panels, causing damage.
		1 table (work)	100	To replace odds and ends of stands and tables.
		2 KeyPunch Chairs	100	For two new machines.
		2 KeyPunch Stands	200	For two new machines.
			<u>\$ 1,500</u>	



Note: One additional Accounting Machine budgeted for 1964 due to approaching saturation of use potential on existing equipment.

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Controller	Data Processing	1291	

INTERFUND CHARGES

The interfund charges were based primarily on three items:

1. Past detail records of times expended per job.
2. Anticipated changes in various jobs.
3. Anticipated increases in work load.

Traffic Violations Bureau: All new violations (10,000 per month) - All cash payments (8,000 per month) - Motor vehicle registration (45-50,000 vehicles) - Printing of notices for failure to appear (2,000 per month) - Printing of warrants for arrest (500 per month).

Accounting Division: Ten separate reports - Combined cost distribution - Special Assessment Billing.

Assessor: Original Tax Rolls - Final Tax Rolls - Valuation Notices - Tax bill - All taxes (20,000 bills).

Traffic Engineer: Monthly report of traffic accidents - Various annual reports of traffic accidents.

Telephone Utility: Toll billing (35-40,000 tolls per month) - Flat phone billing (17,000 customers) - Accounts receivable - Delinquent notices - Final bill recaps - Revenue reporting - Security deposit accounting.

Electric Utility: Consumption reports - billing (10,000 customers) - Accounts receivable - Delinquent notices - Final bill recaps - Revenue reporting - Security deposit accounting.

Water Utility: Same as Electric Utility (9,000 customers).

Garbage Utility: Same as Electric Utility (9,000 customers).

Police Department: Same as Traffic Engineer (1/2 total cost).

Treasurer: Utility billing delinquent notices - Tax accounts receivable - Tax delinquent notices - Special assessment bills - Special assessment payment schedules - Special assessment rolls and registers.

Public Works: Petitions for special assessments - Original rolls for special assessments.

Unallocated Costs: This represents cost that cannot be properly assigned at this time. Several projects are in the stage of planning for application in 1964. As final determinations are made and new work assigned, this unallocated cost will be assigned to benefiting functions.

COUNCIL ADJUSTMENTS

Account .29 is reduced \$300 to eliminate D.P.M.A. Conference.

DEPARTMENT Finance	DIVISION Treasury	ACCOUNT TITLE Treasury	ACCOUNT NUMBER 1207	SUMMARY			
CLASSIFICATION	ACTUAL COST 1961	ACTUAL COST 1962	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
	Est.	Est.					
Personal Services	108,882	132,528	132,496	129,755	148,453	148,453	148,453
Contractual	19,178	18,437	22,628	21,508	26,700	26,700	26,000
Supplies	7,080	7,321	9,450	9,450	12,450	12,450	12,350
Unclassified	71	76	4,800	4,800	4,800	4,800	4,800
Capital	1,997	303	5,500	11,000	13,925	13,925	13,925
Total	137,208	158,665	174,874	176,513	206,328	206,328	205,528
Less							
Interfund Charges	103,926	118,786	93,730	103,703	156,685	156,685	156,194
Grand Total	33,282	39,879	81,144	72,810	49,643	49,643	49,334

*** HIGHLIGHTS OF RECOMMENDED 1964 PROGRAM ***

1. Improved investment management.
2. Increased delinquency control.
3. Better customer relations.
4. Electronically captured cash receipt information.

\$\$\$ MAJOR COST VARIATIONS \$\$\$

- | | | |
|---|-----------|----------|
| 1. Two and one-half additional employees | \$ 12,500 | Increase |
| 2. Data processing work and cost up | \$ 2,500 | Increase |
| 3. Postage for delinquency reminders | \$ 3,000 | Increase |
| 4. Electronic equipment | \$ 5,000 | Increase |
| 5. AISD allocation shown as reduction of cost rather than revenue | \$ 30,000 | Decrease |

DEPARTMENT Finance		DIVISION Treasury	ACCOUNT TITLE Treasury	ACCOUNT NUMBER 1207	DETAIL	
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
	PERSONAL SERVICES					
11	Salaries	112,928	110,087	146,953	146,953	146,953
12	Overtime	1,500	1,500	1,500	1,500	1,500
13	Accrued Leave	18,068	18,168			
	Total	132,496	129,755	148,453	148,453	148,453
	CONTRACTUAL					
20	Miscellaneous Contractual	1,448	1,448	4,000	4,000	4,000
21	Advertising	2,000	700	700	700	700
22	Contracted Labor & Equipment	12,500	12,500	12,500	12,500	12,500
23	Electricity and Water					
24	Insurance	1,080	1,080	3,000	3,000	3,000
25	City Equipment Rental	1,200	1,200	1,500	1,500	1,500
26	Other Rentals	200	700	200	200	200
27	Repairs	400	330	800	800	800
28	Telephone, Telegraph and Tolls	3,600	3,350	3,600	3,600	3,600
29	Travel, Dues and Publications	200	200	900	900	200
	Total	22,628	21,508	26,700	26,700	26,000
	SUPPLIES					
30	Miscellaneous Supplies					
31	Building Materials					
32	Food, Clothing and Medical					
33	Gas, Oil, Grease and Motor Fuels					
34	Heating Fuel					
35	Household and Janitorial					
36	Office Supplies	2,000	2,000	2,000	2,000	1,900
37	Postage	6,250	6,250	9,250	9,250	9,250
38	Printed Forms	1,000	1,000	1,000	1,000	1,000
39	Small Tools	200	200	200	200	200
	Total	9,450	9,450	12,450	12,450	12,350

CITY OF ANCHORAGE						
DEPARTMENT Finance		DIVISION Treasury	ACCOUNT TITLE Treasury	ACCOUNT NUMBER 1207	DETAIL	
CODE	CLASSIFICATION ,	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
40	UNCLASSIFIED					
40	Cash over and short	300	300	300	300	300
41	Assessments Discounts	4,500	4,500	4,500	4,500	4,500
	Total	4,800	4,800	4,800	4,800	4,800
	CAPITAL					
81	Land					
82	Buildings					
83	Improvements other than buildings					
84	Machinery & Equipment	5,500	11,000	13,925	13,925	13,925
	Total	5,500	11,000	13,925	13,925	13,925
	Total Expense	174,874	176,513	206,328	206,328	205,528
	Less Charges to Other Departments or Agencies:		103,703			
	TELEPHONE	35,850		53,968	53,968	53,759
	ELECTRIC	18,710		23,057	23,057	22,967
	WATER	20,460		22,170	22,170	22,084
	GARBAGE	18,710		27,490	27,490	27,384
	Anchorage Independent School District			30,000	30,000	30,000
	Net Budget	81,144	72,810	49,643	49,643	49,334

DEPARTMENT Finance	DIVISION Treasury	ACCOUNT TITLE Personnel		ACCOUNT NUMBER 1207		PERSONNEL SCHEDULE			
POSITION TITLE	PAY RANGE	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964		MANAGER RECOMMENDS 1964		COUNCIL APPROVED 1964	
Treasurer	1000 - 1170	1	1	1	\$ 12,220	1	\$ 12,220	1	\$ 12,220
Credit & Coll. Superv.	854 - 1000			1	11,174	1	11,174	1	11,174
Collection Manager	759 - 889	1	1	1	9,170	1	9,170	1	9,170
Field Accounts Collector	648 - 759	2	2	1	9,168	1	9,168	1	9,168
Clerk-Steno II	456 - 534	1	1	1	5,615	1	5,615	1	5,615
Clerk II	438 - 513	1	1	1	5,596	1	5,596	1	5,596
Accounting Clerk II	577 - 674	2	2	2	14,556	2	14,556	2	14,556
Clerk III	513 - 600	4	4	7	44,028	7	44,028	7	44,028
Accounting Clerk I	456 - 534	4	5	6	35,426	6	35,426	6	35,426
Office Equip. Repairman		1/2	1/2						
Parking Meter Collector		1							
TOTAL		17-1/2	17-1/2	21	146,953	21	146,953	21	146,953

DEPARTMENT
FinanceDIVISION
TreasuryACCOUNT TITLE
TreasuryACCOUNT NUMBER
1207

WORK PROGRAM

The Treasury Section is responsible for the receipt and custody of utility and miscellaneous funds, real and personal property tax and special assessment collection and accounting and collection enforcement for all types of delinquent accounts. Other duties include the approval and signature of all checks issued by the City, and management of the investment of available cash.

PERSONNEL:

.11

2 Additional Employees — Clerk IIIs.



One of the most important functions of the Treasury division is the collection of utility accounts. The crucial point for collection of these accounts is the point at which the account becomes delinquent. Proper action at this time determines whether or not the collectors will be swamped with thousands of dollars in uncollectible accounts or whether these referrals and losses will be kept to a minimum.

During the year, 1963, there has been an attempt to control all the delinquent accounts with the services of one clerk. The mechanics of the job, alone, have taken all of her time, precluding any real collection effort. During the month of August (when Seasonal employment is at its highest and delinquent accounts are fewest) there were 3,793 delinquent accounts, representing \$157,481.97 due the City. This we feel to be a dangerous situation in view of the high losses which might be incurred by the City.

The fact that more personnel were needed to control delinquent accounts has been recognized for many years, and in 1958 there were two full time clerks employed on these accounts.

In 1962 a man was added on a full time basis, and later in the year, two additional men were working on these accounts full time in order to bring them under control.

The following figures show a comparison of the delinquent accounts in the month of August for the years 1962 and 1963:

	1962			1963	
Cycle	No.	Amount		No.	Amount
1	569	\$ 13,183.66		787	\$ 38,412.01
2	1091	30,768.08		1330	50,205.42
3	776	39,737.80		1363	48,243.87
4	280	14,993.21		313	20,620.67
Total	2716	\$ 98,682.75		3793	\$157,481.97
No. of employees		5		No. of employees	1

DEPARTMENT Finance	DIVISION Treasury	ACCOUNT TITLE Treasury	ACCOUNT NUMBER 1207	WORK PROGRAM
<p>The City Manager points out that five employees were needed to put this program back in its proper perspective during 1962, and that action should be taken immediately to halt the steadily worsening situation at the present time. The new procedure of mailing friendly reminders of overdue accounts followed by a certified final notice is considered to be a desirable practice but has added to the clerical work.</p> <p>It is strongly recommended that personnel be authorized to enable this job to be split between four clerks with each clerk handling one cycle. This will enable each clerk to become familiar with her accounts and to know the proper action to be taken on each account. She will have time to maintain the payment history record which has proven to be invaluable in determining credit status and which is necessary to use in establishing a credit rating for each account. She will be able to give personal attention to the individual accounts, which will do a great deal to enhance the City's public relations in this touchy and difficult area.</p> <p>As soon as possible after an account is billed showing arrears, a friendly reminder will be mailed. At this time the clerk will start collections by telephone, beginning with those with a bad history record or excessive toll calls. Approximately ten days later, a final notice will be sent by certified mail, allowing the customer an additional five days to pay the arrears. At the end of this period the service will be disconnected by means of a "deny list." Another ten days is allowed before all records are processed for the subscriber to reconnect the service without loss of his telephone number.</p> <p>In addition to the very real benefit to our customer relations and the long range benefit from the savings expected by control and diminution of uncollectible accounts, we feel that there will be other substantial savings through this plan. Reminder and final notices will be greatly decreased in number, saving clerical and data processing time as well as postage. Telephone calls to the customer will eliminate many of the disconnect and reconnect orders which use up much of the valuable time of telephone, electric and water department personnel.</p> <p>The City Manager recommends the addition of only 2 clerks due to the lesser work load on certain cycles (1 and 4) and the belief that one clerk can handle, with proper assignments, more than the single cycle operation.</p> <p>1 Additional Employee -- Acct. Clerk I</p> <p>The work in taxes and assessments is detailed and specialized work which must be done strictly according to a schedule established by Ordinance and these records must be maintained currently and meticulously as any error or delay in furnishing property records could seriously affect property transactions and ownership.</p> <p>Improvements are planned in billing procedures which will eliminate many of the difficulties encountered during the change to IBM processing of taxes in 1963. Tax bills will be made in duplicate: One copy to be receipted for the customer, one copy to be retained by the tax section. The receipting machine will print the account number and amount on both receipts, verifying the account number so that errors will be at a minimum and comparatively easy to trace. In the same operation a tape will be punched with this information so that date processing can automatically record the payments on the IBM ledger cards. This will eliminate double handling of the accounts, provide a cross-check for accuracy, and provide the tax office with an "up to the minute" record of the tax status of any piece of property.</p>				

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Treasury	Treasury	1207	

Because of the yearly increase in the number of paving and sewer assessments, in addition to the assessments for water under the new City policy, the work load in this section requires an additional clerk. As of September, 1963, this section was handling 37 separate assessment rolls, plus individual water mortgages, covering approximately 8,000 parcels. This does not include District 250, now being assessed, or the increase in 1964 by the addition of 19 pending assessment rolls for water and sewer, and of pending assessments for paving.

Each assessment requires that a bill be mailed, and payment accepted, or a delinquent notice be mailed with penalty and interest computed. Water assessments are complicated by the various methods which have been employed over the years for collections: assessment districts, monthly payments included in the utility bill, payments at 2½¢ or 4¢ per square foot or \$6.50 per front foot at the time of connection, mortgages spreading the payments over a 3 year period or discounts on 2/3 if paid in full, promissory notes outside the city, etc.

It is necessary to maintain an index of each parcel of property showing all assessments paid or unpaid or pending. Because of lack of personnel this index does not currently reflect the changes in property descriptions that have occurred through subdivisions, re—subdivisions, urban renewal changes, etc. We hope to be able to accomplish this work with the additional personnel requested.

In 1955 this work required 3 employees with additional help during tax payment months. With the increase in assessments the work load has been spread over the year so that there is no longer a "slack" period of work.

Tax & Assessment Collection Comparison

	1955	1962
Taxes collected	\$ 1,658,545.95	\$ 4,617,568.49
Assessments collected	169,564.08	707,405.62
Penalty and Interest collected	34,553.02	56,960.68
Miscellaneous collections	(not available)	235,915.08
		\$ 5,617,849.87
Number of Employees	3	4

The City Manager recommends this increase in personnel.

.12

Because of increased personnel requested, no additional amount has been budgeted for overtime. It is expected that this amount will cover emergencies and overload situations caused by vacations.

CONTRACTUAL:

.20

This miscellaneous contractual account represents the intra-departmental changes of data processing. With the change to the punch type operation as recommended in the capital program, we believe this figure will be reduced.

DEPARTMENT
FinanceDIVISION
TreasuryACCOUNT TITLE
TreasuryACCOUNT NUMBER
1207

WORK PROGRAM

This account includes payment of fiscal agent charges to Seattle First National Bank, payment for utility collections made at authorized stores and banks, payment of court costs on forced collections and fees to outside collection agencies.

.24

This account covers the employees fidelity bond and robbery insurance. The increase in the budgeted amount is due to the increase of the Treasurer's fidelity bond to \$500,000 as requested by Council.

.25

The increase in this account was based on the actual expense through July 1962.

.26

This account has been decreased as the mileage charges of the Office Machine Repairman will be budgeted by Public Works. The balance shown has been retained for machine rentals on an emergency basis.

.27

Repairs expense has been increased to cover the new maintenance contract for equipment purchased in 1963.

.28

The increase in this account is based on the actual expense through July 1962.

.29

Travel, dues and publications account has been increased by an estimated amount to allow attendance by the Treasurer at the meeting of the Municipal Finance Officers Association. The City Manager recommends that the Treasurer attend this conference in order to derive the benefits from contacts with representatives experienced in City investment policies and programs. The City Manager also feels it would be desirable for the Treasurer to have the contacts with other agencies experienced in treasury management.

SUPPLIES

.37

Postage expense has been increased to cover new utility account "Friendly Reminders" at 5¢ each and certified "Final Notices" at 35¢ each. The cost of postage for the first two months of this operation indicated that \$104.00 per month for friendly reminders and \$440.00 per month for final notices would be required. Anticipating more personnel, the postage account has been increased by only half of this amount.

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Treasury	Treasury	1207	

This account will be gradually discontinued with the new procedure on future assessments which will delete discounts and provide for interest to be collected on the unpaid balance. Discount provisions will continue on all old assessments and the new procedure will have little affect on this years budget.

CAPITAL:

.84

We are recommending the purchase of additional equipment for each of the 3 receipting machines now on order, as follows:

Wiring for 41 Remittance Machine	\$ 1,055	
Punch tape recorders -- 461-201-2-4-	1,560	
Account number checking device - 411-6	1,295	
Freight and insurance	15	
Labor for wiring	50	
Total price for System	\$ 3,975	Each
Total for 3 units	\$11,925.	

With the punch tape recorder, each cash transaction will be receipted showing the account number and the amount of the payment. This operation by the cashier will automatically punch a tape with this information. This tape will be fed through a converter which will automatically punch payment cards for data processing. This will eliminate the time consuming job of hand punching each payment with the accompanying human error which is inevitable, and also time consuming.

Errors by the cashiers in punching account numbers will be reduced to a minimum through the use of the account number checking device. A small computer attached to the receipting machine verifies the account number punched and prohibits the recording of a transposed or incorrect account. The benefit of this equipment for the collection of taxes and assessments has already been discussed. The addition of this equipment to the receipting machines to be used on the collection of utility accounts would pay for itself in a very few months in the savings of data processing time by elimination of the duplicate handling of all payments.

The City Manager recommends the purchase of this equipment as necessary to the modernization of the billing and accounting operations.

In addition, this capital expense account covers the estimated cost of the following equipment:

\$750	3 desks -- new employees
320	4 chairs - new employees and 1 replacement
400	1 electric typewriter - new employees (also needed because of split of equipment between Clerk & Treasurer's section)
280	1 file - additional space needed for collector's permanent credit records
250	1 metal rack with shelf - working space for IBM tax and assessment rolls
\$2,000	Total miscellaneous equipment

DEPARTMENT

Finance

DIVISION

Treasury

ACCOUNT TITLE

Treasury

ACCOUNT NUMBER

1207

WORK PROGRAM

CHARGES TO OTHER DEPT. OR AGENCIES

An analysis of each job was made in order to arrive at the percentage of time spent on various utilities or general fund work. Averaging the time of all employees, it was estimated at 38.6% of costs should be charged to the general fund account and 61.4% should be charged to utilities. The 61.4% charged to utilities was also broken down for each employee among the four utilities as follows:

Telephone	42.6%
Electric	18.2%
Water	17.5%
Garbage	21.7%

The greater amount charged to the Telephone Department is based upon the greater number of accounts and the difficulties in controlling the amount of the bills for tolls.

Garbage accounts also present more problems from a collection standpoint than do electric or water accounts, as the collection of garbage cannot be discontinued because of delinquency. We have also found that customers with only garbage charges often neglect to notify the city when they move and this causes additional billing and collection problems.

In previous years the amount paid by the Anchorage Independent School District for tax collections has been shown as a miscellaneous revenue. This year we are showing a deduction directly to the expense account.

COUNCIL ADJUSTMENTS

Account 27 reduced \$700 to eliminate travel of City Treasurer to Municipal Finance Officers Association conference.

DEPARTMENT Finance	DIVISION Treasury	ACCOUNT TITLE Traffic Violations	ACCOUNT NUMBER 1208	SUMMARY			
CLASSIFICATION	ACTUAL COST 1961	ACTUAL COST 1962	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
Personal Services	40,405	43,173	43,805	38,646	21,618	21,618	21,618
Contractual	22,198	24,968	20,957	20,957	23,661	23,661	23,661
Supplies	2,067	2,900	3,250	2,950	3,010	3,010	2,950
Unclassified							
Capital	1,209	372	250	250	450	450	450
Total	65,879	71,413	68,262	62,803	48,739	48,739	48,679
Less							
Interfund Charges							
Grand Total	65,879	71,413	68,262	62,803	48,739	48,739	48,679

**** HIGHLIGHTS OF RECOMMENDED 1964 PROGRAM ****

1. Citations decreasing through improved enforcement.
2. Revenues increasing through improved collections.
3. Greater efficiency with mechanical sorting and filing.

\$\$\$ MAJOR COST VARIATIONS \$\$\$

- | | | |
|---|-----------|----------|
| 1. One less employee | \$ 4,700 | Decrease |
| 2. Warrant Officers transferred to Police Department Budget | \$ 14,800 | Decrease |
| 3. Rental of mechanical equipment | \$ 2,200 | Increase |
| 4. Electric typewriter for warrant preparation | \$ 450 | Increase |

CITY OF ANCHORAGE

DEPARTMENT Finance		DIVISION Treasury	ACCOUNT TITLE Traffic Violations	ACCOUNT NUMBER 1208	DETAIL	
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
	PERSONAL SERVICES					
11	Salaries	37,332	32,946	21,418	21,418	21,418
12	Overtime	500	200	200	200	200
13	Accrued Leave	5,973	5,500			
	Total	43,805	38,646	21,618	21,618	21,618
	CONTRACTUAL					
20	Miscellaneous Contractural					
21	Advertising					
22	Contracted Labor & Equipment	20,457	20,457	20,917	20,917	20,917
23	Electricity and Water					
24	Insurance					
25	City Equipment Rental					
26	Other Rentals			2,244	2,244	2,244
27	Repairs	150	150	150	150	150
28	Telephone, Telegraph and Tolls	350	350	350	350	350
29	Travel, Dues and Publications					
	Total	20,957	20,957	23,661	23,661	23,661
	SUPPLIES					
30	Miscellaneous Supplies					
31	Building Materials					
32	Food, Clothing and Medical					
33	Gas, Oil, Grease and Motor Fuels					
34	Heating Fuel					
35	Household and Janitorial					
36	Office Supplies	600	600	600	600	550
37	Postage	2,000	2,000	2,000	2,000	2,000
38	Printed Forms	650	350	410	410	400
39	Small Tools					
	Total	3,250	2,950	3,010	3,010	2,950

CITY OF ANCHORAGE						
DEPARTMENT Finance		DIVISION Treasury	ACCOUNT TITLE Traffic Violations	ACCOUNT NUMBER 1208	DETAIL	
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
	UNCLASSIFIED					
40						
41	Total					
	CAPITAL					
81	Land					
82	Buildings					
83	Improvements Other Than Buildings					
84	Machinery & Equipment	250	250	450	450	450
	Total	250	250	450	450	450
	Total Expense	68,262	62,803	48,739	48,739	48,679
	Less Charges to Other Departments or Agencies:					
	Net Budget	68,262	62,803	48,739	48,739	48,679

*Two Warrant Officers have been transferred to the Police Department, Account 1220, as these officers are under the direct supervision and control of that department.

DEPARTMENT
FinanceDIVISION
TreasuryACCOUNT TITLE
Traffic ViolationsACCOUNT NUMBER
1208

WORK PROGRAM

The Traffic Violations section, located in the Public Safety Building, accounts for all traffic citations issued by the Police Department and receives and deposits related fines. All traffic citations issued by the Police Department are recorded in punched cards which are used in receipting of fines, preparation of warning notices, and warrants for those who fail to pay the fine.

In addition to the routine handling of traffic tickets, this section has various other duties such as: scheduling court appearance and searching for past records on those pleading "Not Guilty"; notifying parents of juvenile violators prior to issuance of complaint and summons; issuing complaints and summons on tickets for vehicles owned by companies and corporations, or on unsigned tickets; confirm, list and transfer to Magistrate's Court the bail collected by the Police Department, etc.

The volume of work is illustrated by the following statistics:

<u>Months of January - September</u>	<u>1962</u>		<u>1963</u>	
	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>
Tickets issued*	85,163	\$260,802	73,273	\$254,286
Tickets paid	63,022	189,627	53,661	194,969
Bail paid to Court		34,651		41,565
Warrants issued	3,433	47,067	4,629	32,086
Warrants canted	2,864	26,461	1,101	13,093
Warrants served	2,004	25,591	1,564	25,330

*The amount of the ticket issued is the value at the time of issuance. These figures do not show the increased amount of bail required if the ticket is not paid within the first seven days.

PERSONNEL

Two warrant officers, previously budgeted from this account, are being shown in the Police Department budget as these officers are under the direct control and supervision of that department.

One Clerk I has also been deleted from this budget in the anticipation of the approval of the rental of a collator and sorter which will eliminate manual sorting and filing of approximately 850 tickets per day. It is expected that time will be saved, also, through elimination of searches for misfiled tickets, an inevitability under the present system. It is hoped that some time will be available for work on collections and informational data necessary to enable service of warrants which would otherwise have to be cancelled.

CONTRACTUAL

The increase in the contractual account is to cover the annual rental of the collator and sorter, which is more than offset by the decrease in personnel.

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Treasury	Traffic Violations	1203	
<u>SUPPLIES</u> This account has been increased by the cost of a Polk directory (\$50) and the annual corporation list from the Secretary of State (\$10). Both of these publications are invaluable for the processing and service of warrants.				
<u>CAPITAL</u> The Magistrate has suggested and this office is requesting an electric typewriter. The replacement of a machine is necessary, and it is felt that the electric machine would be much more efficient for the typing of numerous and multi-copy warrants and summons.				

DEPARTMENT FINANCE	DIVISION ASSESSMENT	ACCOUNT TITLE ASSESSMENT	ACCOUNT NUMBER 1206	SUMMARY			
CLASSIFICATION	ACTUAL COST 1961	ACTUAL COST 1962	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
Personal Services	71,635	69,223	88,240	86,797	88,780	88,780	88,780
Contractual	7,086	7,081	12,067	11,987	15,750	15,750	14,750
Supplies	6,343	4,130	8,725	5,725	5,600	5,600	5,500
Unclassified							
Capital	2,632	2,223	150	150	500	500	-0-
Total	87,696	82,657	109,182	104,659	110,630	110,630	109,030
Less							
Interfund Charges	49,301	56,640	58,241	56,055	59,150	59,150	58,345
Grand Total	38,395	26,017	50,941	48,604	51,480	51,480	50,685

*** HIGHLIGHTS OF RECOMMENDED 1964 PROGRAM ***

1. Review 14,000 parcels of land.
2. Appraise 24,000 structures.
3. Re-examine leasehold interests.
4. Render 25,000 tax bills.

\$\$\$ MAJOR COST VARIATIONS \$\$\$

- | | | |
|-------------------------------|----------|----------|
| 1. Personal Service cost | \$ 2,000 | Increase |
| 2. Data Processing cost | \$ 3,000 | Increase |
| 3. One additional vehicle | \$ 1,000 | Increase |
| 4. Cost allocation to AISD up | \$ 3,000 | Decrease |

DEPARTMENT FINANCE		DIVISION ASSESSMENT	ACCOUNT TITLE ASSESSMENT	ACCOUNT NUMBER 1206	DETAIL	
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
	PERSONAL SERVICES					
11	Salaries	76,070	75,427	88,780	88,780	88,780
12	Overtime					
13	Accrued Leave	12,170	11,370			
	Total	88,240	86,797	88,780	88,780	88,780
	CONTRACTUAL					
20	Miscellaneous Contractural (Data Proc- essing)	4,447	4,447	7,520	7,520	7,520
21	Advertising	600	600	400	400	400
22	Contracted Labor & Equipment					
23	Electricity and Water					
24	Insurance					
25	City Equipment Rental	5,200	5,200	6,240	6,240	5,240
26	Other Rentals	200	200			
27	Repairs	180	100	150	150	150
28	Telephone, Telegraph and Tolls	840	840	840	840	840
29	Travel, Dues and Publications	600	600	600	600	600
	Total	12,067	11,987	15,750	15,750	14,750
	SUPPLIES					
30	Miscellaneous Supplies					
31	Building Materials					
32	Food, Clothing and Medical					
33	Gas, Oil, Grease and Motor Fuels					
34	Heating Fuel					
35	Household and Janitorial					
36	Office Supplies	1,500	1,000	1,000	1,000	1,000
37	Postage	3,125	3,125	3,000	3,000	3,000
38	Printed Forms	4,000	1,500	1,500	1,500	1,400
39	Small Tools	100	100	100	100	100
	Total	8,725	5,725	5,600	5,600	5,500

DEPARTMENT FINANCE		DIVISION ASSESSMENT	ACCOUNT TITLE ASSESSMENT	ACCOUNT NUMBER 1206	DETAIL	
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
	UNCLASSIFIED					
40						
41						
	Total					
	CAPITAL					
81	Land					
82	Buildings					
83	Improvements Other Than Buildings					
84	Machinery & Equipment	150	150	500	500	-0-
	Total	150	150	500	500	-0-
	Total Expense	109,182	104,659	110,630	110,630	109,030
	Less Charges to Other Departments or Agencies:	58,241	56,055	59,150	59,150	58,345
	Anchorage Independent School District					
	\$ 54,515 Assessment Cost					
	2,100 Rent					
	850 Social Security					
	640 Workmen's Compensation					
	240 Public Liability Insurance					
	Net Budget	50,941	48,604	51,480	51,480	50,685

DEPARTMENT FINANCE	DIVISION ASSESSMENT	ACCOUNT TITLE ASSESSMENT	ACCOUNT NUMBER 1206	PERSONNEL SCHEDULE					
POSITION TITLE	PAY RANGE	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964		MANAGER RECOMMENDS 1964		COUNCIL APPROVED 1964	
Assessor	925-1081	1	1	1	12,440	1	12,440	1	12,440
Assistant Assessor	790-925	1	1	1	10,936	1	10,936	1	10,936
Property Appraisers	730-854	5	5	5	46,686	5	46,686	5	46,686
Clerk-Steno III	534-624	1	1	1	7,405	1	7,405	1	7,405
Clerk II	438-513	2	2	2	11,313	2	11,313	2	11,313
TOTAL		10	10	10	88,780	10	88,780	10	88,780

DEPARTMENT
FINANCEDIVISION
ASSESSMENTACCOUNT TITLE
ASSESSMENTACCOUNT NUMBER
1206

WORK PROGRAM

The Assessment Division is responsible for the appraisal of all real and personal property in the City of Anchorage for assessment and tax purposes. The Division is also responsible for the makeup and listing of all taxes due the City under the general property tax ordinance. The assessment date for the City is January 1; consequently, the first part of the year will be centered on assisting taxpayers in preparing and filing personal property returns. We expect to assist some 6,500 filers with their returns in the office as well as render some assistance to taxpayers in the field. After the close of the filing period, all returns must be audited, motor vehicles, airplanes, boats, motors, house trailers and leantos assessed, indexed, tabulated, and posted to the assessment roll.

In order to assure the receipt of approximately 11,000 returns in 1964, steps must be taken to confirm the valuations declared on renditions and ferret out all persons liable to assessment who have failed to file returns. Checks will be made on all businesses, apartment houses, trailer courts, and dwelling houses. Contact will be made with approximately 6,000 individuals in this function. Assessments received or filed as a result of this investigative program will be placed on supplemental assessment rolls. Preparation for and conducting the Board of Equalization hearings is a function of the Assessor. A great deal of preparatory work and counseling of taxpayers is necessary before the Board convenes for its annual meeting. Several additional hearings will also be required in 1964 to equalize supplemental tax rolls.

During the last half of 1964, the examination and assessment of real property will be made for the 1965 assessment year. To accomplish this, approximately 14,000 parcels of land will be inspected. The topography, surroundings, and the character of the property are noted. The zoning, public utilities, and street improvements are checked. Ownership and mailing addresses are also verified. If all factors have been properly accounted for, the assessment is established and posted to the assessment roll.

The Division will appraise for assessment purposes in 1964 24,000 structures or buildings. This requires that existing building records be taken into the field and each building record compared to the physical property to ensure the correctness of detail and specifications of the records. If a building has changed, the change is recorded and the record corrected. A note is also made as to the condition of the structure for depreciation purposes. The building valuation is combined with the land valuation to arrive at the real property assessment.

November and December are the months when personal property forms and instructions for filing are printed. Personal property forms are mailed to all persons who have filed a return for the 1963 tax year. People that are new to the community will be informed through television, radio, and newspaper publications as to the assessment date and will be mailed forms upon request.



DEPARTMENT FINANCE	DIVISION ASSESSMENT	ACCOUNT TITLE ASSESSMENT	ACCOUNT NUMBER 1206	WORK PROGRAM
<p>The Assessment Division budget for the year 1964 shows an increase of \$5,971.00 over the adjusted 1963 budget. Comparing the 1964 budget with 1963 accounts showing increases and explanations are:</p>				
<p><u>Account 1206.11 (Salaries)</u></p> <p>Increase in personal salaries is attributed primarily to the recent wage increase given City employees and annual merit increases.</p>				
<p><u>Account 1206.20 (Miscellaneous Contractual)</u></p> <p>Increase over the 1963 budget is the shared cost of the Assessment Division for services performed by the Data Processing Section. The amount shown under this account is based on the figures as compiled by Data Processing.</p>				
<p><u>Account 1206.25 (City Equipment Rental)</u></p> <p>An increase over 1963 is for the use or rental of an additional vehicle. At the present time we have five fieldmen and four vehicles. The Division did not request an additional vehicle in 1963 as new personnel when hired are accompanied by an experienced person until they become familiar with the fundamentals and have adapted themselves to assessment methods and procedures used by the City for tax purposes.</p>				
<p><u>Account 1206.84 (Machinery & Equipment)</u></p> <p>Increase over 1963 the Division is requesting the purchase of a calculator. It is evident that each year new subdivisions, more buildings and persons are placed on the tax roll and because of this an innumerable amount of calculating is required in determining tax values. The purchase of this equipment eliminated the request in budget account 1206.26.</p>				
<p><u>Interfund Charges</u></p> <p>The cost of operating the Assessment Division is shared by the City and A.I.S.D. on a fifty-fifty basis. The charges and prorated share of the School District is shown under Charges to Other Departments and Agencies.</p>				
<p><u>COUNCIL ADJUSTMENTS</u></p> <p>Reduction of account .25 by \$1,000 will eliminate one vehicle. Cut of \$500.00 to account .84 will remove the recommended calculator.</p>				

DEPARTMENT Finance	DIVISION Purchasing	ACCOUNT TITLE Purchasing	ACCOUNT NUMBER 1292	SUMMARY			
CLASSIFICATION	ACTUAL COST 1961	ACTUAL COST 1962	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
Personal Services	50,280	56,548	71,645	68,945	81,051	81,051	69,706
Contractual	39,429	43,039	40,550	42,050	21,570	15,520	15,520
Supplies	4,731	5,517	5,510	6,710	6,310	6,310	6,260
Unclassified							
Capital	1,306	12,032	2,778	2,778	4,700	2,700	2,700
Total	95,746	117,136	120,483	120,483	113,631	105,581	94,186
Less Surplus	14,511	(30,576)					
Interfund Charges	110,257	86,560	120,483	120,483	113,631	105,581	94,186
Grand Total	-0-	-0-	-0-	-0-	-0-	-0-	-0-

*** HIGHLIGHTS OF RECOMMENDED 1964 PROGRAM ***

1. Mechanized stock record controls
2. Periodic inventory reporting to utilities
3. Continuing disposal of obsolete and surplus material.
4. Cooperative purchasing
5. Improved supplier - City relations

\$\$\$ MAJOR COST VARIATIONS \$\$\$

- | | | |
|---|-----------|----------|
| 1. Rental of warehouse building | \$ 30,000 | Decrease |
| 2. Building repair and maintenance | \$ 3,800 | Increase |
| 3. Temporary personnel provided | \$ 5,000 | Increase |
| 4. Salary costs up due to reorganization and position reclassifications | \$ 7,000 | Increase |

DEPARTMENT Finance		DIVISION Purchasing	ACCOUNT TITLE Purchasing	ACCOUNT NUMBER 1292	DETAIL	
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964
	PERSONAL SERVICES					
11	Salaries	66,590	63,890	79,601	79,601	68,256
12	Overtime	1,450	1,450	1,450	1,450	1,450
13	Accrued Leave	3,605	3,605			
	Total	71,645	68,945	81,051	81,051	69,706
	CONTRACTUAL					
20	Miscellaneous Contractual					
21	Advertising	400	400	400	400	400
22	Contracted Labor & Equipment	2,100	2,100	1,500	1,500	1,500
23	Electricity and Water	3,600	3,600	3,600	3,600	3,600
24	Insurance	1,500	1,500	1,500	1,500	1,500
25	City Equipment Rental	31,920	31,920	1,920	1,920	1,920
26	Other Rentals					
27	Repairs	200	200	10,050	4,000	4,000
28	Telephone, Telegraph and Tolls	680	2,180	2,400	2,400	2,400
29	Travel, Dues and Publications	150	150	200	200	200
	Total	40,550	42,050	21,570	15,520	15,520
	SUPPLIES					
30	Miscellaneous Supplies					
31	Building Materials					
32	Food, Clothing and Medical					
33	Gas, Oil, Grease and Motor Fuels	260	260	260	260	260
34	Heating Fuel	4,000	4,000	4,000	4,000	4,000
35	Household and Janitorial	150	150	150	150	150
36	Office Supplies	300	300	600	600	550
37	Postage	400	500	700	700	700
38	Printed Forms	300	1,100	500	500	500
39	Small Tools	100	100	100	100	100
	Total	5,510	6,710	6,310	6,310	6,260

CITY OF ANCHORAGE						
DEPARTMENT Finance	DIVISION Purchasing	ACCOUNT TITLE Purchasing	ACCOUNT NUMBER 1292	DETAIL		
CODE	CLASSIFICATION	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED - 1964
	UNCLASSIFIED					
40						
41						
	Total					
	CAPITAL					
81	Land					
82	Buildings	2,278	2,273	4,000	2,000	2,000
83	Improvements Other Than Buildings					
84	Machinery & Equipment	500	500	700	700	700
	Total	2,278	2,273	4,700	2,700	2,700
	Total Expense	120,483	120,483	113,631	105,581	94,186
	Less Charges to Other Departments or Agencies:	120,483	120,483	113,631	105,581	94,186
		-0-	-0-	-0-	-0-	-0-
	Net Budget					

DEPARTMENT Finance	DIVISION Purchasing	ACCOUNT TITLE Purchasing	ACCOUNT NUMBER 1292	PERSONNEL SCHEDULE					
POSITION TITLE	PAY RANGE	ORIGINAL BUDGET 1963	ADJUSTED BUDGET 1963	DEPARTMENT REQUEST 1964	MANAGER RECOMMENDS 1964	COUNCIL APPROVED 1964			
Purchasing Agent	889 - 1040	1	1	1	11,507	1	11,507	1	11,507
Senior Buyer	702 - 821	0	1	1	8,564	1	8,564	1	8,564
Clerk Steno II	456 - 534	1	1	1	5,548	1	5,548	1	5,548
Supervisor, Stores & Records	648 - 759	0	1	1	7,984	1	7,984	1	7,984
Head Warehouseman	849 - 913	1	1	1	11,850	1	11,850	1	11,850
Assistant Warehouseman	777 - 804	3	2	2	22,690	2	22,690	1	11,345
Accounting Clerk I	456 - 534	1	1	1	5,738	1	5,738	1	5,738
Fork Lift Time Plus Temporary Assistant Warehousemen as required		7	8	8	73,881	8	73,881	8	62,536
					720		720		720
					5,000		5,000		5,000
					79,601		79,601		68,254

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Purchasing	Purchasing	1292	

The Purchasing Division is responsible for the purchasing of materials and supplies, and the Warehouse Section under the Purchasing Agent is charged with the issue and accountability of all such supplies and materials used by all City departments.

On February 18, 1963, in accordance with approved budget proposal for year 1963 operations, a full time trained Purchasing Agent assumed responsibilities for purchasing and warehouse operations. The assigned objectives were in general to up-date the purchasing activity along lines of modern municipal procurement practice. Specific areas for review and revision included:

1. To maintain on a current basis the purchasing and warehouse support to all City agencies.
2. To identify, classify, list and dispose of obsolete and surplus warehoused materials which had accumulated over many years.
3. To develop and propose a revised Purchasing Ordinance along with operational procedures for the entire purchasing and warehouse function.
4. To develop a system of reporting inventory status to the various utility managers.
5. To determine feasibility and install procedures for machine stock record accounting.

These objectives have been or are well on the way of being accomplished. Some reclassification of personnel was necessary to this and required Council authorization for two new positions: Supervisor, Stores and Records, and Senior Buyer. This re-alignment of staff resulted in a net increase of one classified employee, as reflected in 1964 proposed budget.

A serious and concerted program to improve relations between the City Purchasing office and local suppliers is underway with accrual of benefits daily to the City in savings and service.

Review and revision of methods in charging various departments for purchasing and warehouse service is underway. A revised schedule of these charges to more equitably spread these charges will be initiated to cover proposed 1964 budget operations.

A continuing and up-dated image of the entire purchasing function currently underway calls for certain physical changes within the office of the Purchasing Agent. Costs to provide for these changes are as follows:

Account .11 - Salaries

The total salary cost has increased approximately \$12,000 over the adjusted 1963 cost due to the following factors:

1. As the result of reorganization, position reclassifications and prior Council action, salaries now paid purchasing and warehouse personnel are more commensurate with the duties and responsibilities involved.
2. A request for \$5,000 to provide for temporary assistant warehousemen as required will make possible the

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Purchasing	Purchasing	1292	

employment of one additional warehouseman during the summer construction season if required by conditions present at the time. It is intended this sum would be used only in the event that the workload should require such additional temporary help.

Account .25 - City Equipment Rental

This account has, in past years, provided for a payment of \$30,000 per year to the General Fund for rent of the warehouse building. As explained elsewhere in this budget, a review of past records show that the total rent paid to the General Fund has fully repaid the City's capital cost of the building. Further, all cost of maintenance and operation is paid directly from the purchasing and warehouse account. Consequently, no valid purpose remains for this interfund transfer which has been eliminated in this budget request.

Account .27 - Repairs

A thorough inspection of the warehouse building has been made by the Building Construction and Maintenance Section of the Public Works Department. The following repairs are requested:

1. Replace badly damaged roof	\$ 3,200
2. Patch and paint badly cracked exterior walls	2,500
3. Insulate space over roll up doors	200
4. Revamp electrical panel and lights	1,850
5. Paint interior ceiling - warehouse area	500
6. Fence rehabilitation and repair	<u>1,800</u>

TOTAL	\$10,050
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Upon review, the Manager recommends that the total budget be reduced to \$4,000 and that the Purchasing Agent, in conjunction with the Building Construction and Maintenance personnel, determine the best use of these funds to solve the existing repair problems. Additional funds should be included in the 1965 budget to complete the program.

Account .82 - Buildings

Improvements to the office quarters in the warehouse building include accoustical tile in order to reduce the noise level, half partitions to provide semi-private conditions for the Purchasing Agent and Buyer, improved lighting throughout the office area, and necessary shelving for an expanded library of catalogs, manuals and other reference material. The cost for this is estimated at \$4,000. The Manager suggests that half the program be accomplished in 1964, and the remaining half in 1965, and recommends \$2,000 be budgeted in 1964.

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Purchasing	Purchasing	1292	
<u>Account .84 - Machinery and Equipment</u>				
Machinery and equipment in the amount of \$700 covers need for office desk and chair for the Purchasing Agent (\$500) and an incinerator for warehouse yard (\$200). The incinerator would serve a needed purpose in keeping to a minimum the accumulation of packing cases and debris incident to the warehouse operation, and is recommended by Fire Inspection reports.				
<u>COUNCIL ADJUSTMENTS</u>				
Account .11 is reduced \$11,345 to reduce authorized Assistant Warehousemen from two to one.				