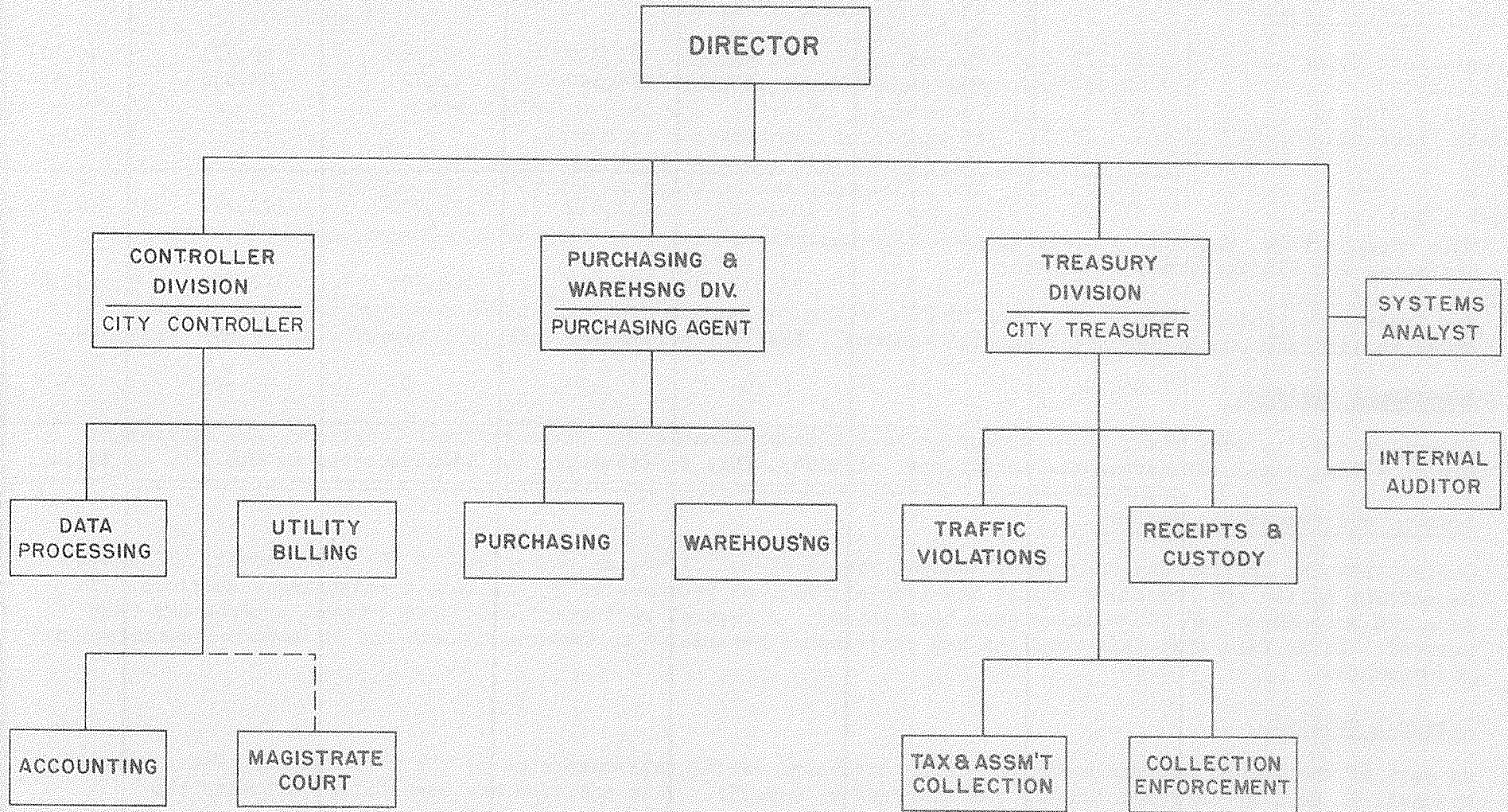


CITY OF ANCHORAGE

DEPARTMENT Finance	DIVISION		ACCOUNT TITLE	ACCOUNT NUMBER	SUMMARY		
CLASSIFICATION	ACTUAL COST 1962	ACTUAL COST 1963	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965
		Summary	General Fund	Share			
<u>Controller Division</u>							
Magistrate Court	17,572	32,654	37,912	35,312	41,352	40,721	40,721
Accounting	63,957	107,618	71,560	77,500	82,620	79,556	78,556
Utility Billing	- -	(4)	- -	- -	- -	- -	-0-
Data Processing	- -	- -	- -	- -	- -	- -	-0-
Sub Total	81,529	140,268	109,472	112,812	123,972	120,277	119,277
<u>Treasury Division</u>	110,920	142,212	98,013	93,063	128,726	123,194	123,194
<u>Assessment Division</u>	26,017	40,870	50,685	50,685	-0-	-0-	-0-
<u>Purchasing Division</u>	30,576	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	249,042	323,350	258,170	256,560	252,698	243,471	242,471

FINANCE DEPARTMENT



----- DENOTES CONTROL & CO-ORDINATION WITH STATE

CITY OF ANCHORAGE

1965 BUDGETFINANCE 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 in the department:

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

This organization, which is closely aligned with recognized municipal finance structures, consists of three divisions and six different accounts.

The Treasury Division (Account 1207) and Traffic Violation Section (Account 1208) have been combined in 1965 in order to simplify accounting and financial control. Both operations are under the supervision of the Treasurer.

Assessment Division

Effective July 1, 1964 the Greater Anchorage Area Borough assumed the tax assessment function. The Assessment Division was phased out during the latter part of 1964. This function has not been budgeted by the City in 1965.

Systems and Procedures Analyst

During 1964 the Systems and Procedures Analyst position was filled, as authorized in the 1964 Budget. A Finance Department Policy and Procedure Manual has been started, as recommended by the City's independent auditors. To date 102 procedures and 28 policies have been issued. A records retention and forms control program has been started. It is felt that this position has contributed materially to improve systems and to better documentation of procedures.

Internal Auditor

As part of the second quarter budget revision and based on the recommendation of the City Manager, Peat, Marwick, Mitchell & Co., an Internal Auditor was approved by Council. This position has been filled allowing the development of a city wide internal audit program.

Major Work Programs for 1965 are:

1. Computer feasibility study
2. Reorganization of Utility Customer Service function

3. Development and implementations of Internal Audit Program
4. Continued development of cash forecasting procedures
5. Development of an integrated management information system
6. Continued development of the Finance Department Policy and Procedure Manual
7. Implementation of a completed automated accounting system
8. Continued review of potential cost reduction area with a view of measuring benefits received to costs incurred

Interfund Charges

Since many of the functions of the Finance Department 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.

Shown on pages 90 through 97 is a summary of Interfund Charges.

IV. Detail of Finance Department Charges to Utility Funds and Others, 1962 - 1965

	Actual 1962 Per Audit	Actual 1963 Per Audit	Original Budget 1964	Adjusted Budget 1964	Manager Recommends 1965	Difference 1965 Over Orig. Budget 1964
<u>Telephone Fund</u>						
Accounting	\$ 175,417	\$ 28,565	\$ 43,446	\$ 46,968	\$ 60,270	\$ 16,824
Utility Billing	- - *	91,498	91,772	87,417	105,200	13,428
Data Processing	- - *	63,033	52,994	52,699	66,600	13,606
Treasury	60,307	34,835	53,759	52,903	67,740	13,981
TOTAL	235,724	217,931	241,971	239,987	299,810	57,839
<u>Electric Fund</u>						
Accounting	104,415	18,484	41,063	44,332	57,860	16,797
Utility Billing	- - *	35,507	40,060	38,160	31,170	(8,890)
Data Processing	- - *	12,818	12,162	12,139	16,200	4,038
Treasury	34,722	18,182	22,967	22,602	33,000	10,033
TOTAL	139,137	84,991	116,252	117,233	138,230	21,978
<u>Water Fund</u>						
Accounting	58,472	10,083	21,815	23,604	24,110	2,295
Utility Billing	- - *	37,068	42,310	40,301	31,170	(11,140)
Data Processing	- - *	10,308	11,294	11,250	14,600	3,306
Treasury	23,757	19,882	22,084	21,733	22,300	216
TOTAL	82,229	77,341	97,503	96,888	92,180	(5,323)
<u>Port Fund [Note 1]</u>						
Accounting	- -	- -	- -	- -	12,050	12,050
Utility Billing	- -	- -	- -	- -	- -	- -
Data Processing	- -	- -	- -	- -	- -	- -
Treasury	- -	- -	- -	- -	6,950	6,950
TOTAL	- -	- -	- -	- -	19,000	19,000
<u>Refuse Fund [Note 2]</u>						
Accounting	- -	- -	- -	- -	7,230	7,230
Utility Billing	- -	- -	- -	- -	27,288	27,288
Data Processing	- -	- -	- -	- -	13,900	13,900
Treasury	- -	- -	- -	- -	5,210	5,210
TOTAL	- -	- -	- -	- -	53,628	53,628
TOTAL UTILITIES	457,090	380,263	455,726	454,108	602,848	147,122

IV. (Continued)

	Actual 1962 Per Audit	Actual 1963 Per Audit	Original Budget 1964	Adjusted Budget 1964	Manager Recommends 1965	Difference 1965 Over Orig. Budget 1964
<u>Charges to Others</u>						
Accounting	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Utility Billing	--	--	--	--	--	--
Data Processing	--	--	16,110	--	--	(16,110)
Treasury	--	--	--	--	--	--
TOTAL	--	--	16,110	--	--	(16,110)
GRAND TOTAL CHARGES UTILITIES AND OTHERS	\$ 457,090	\$ 380,263	\$ 471,836	\$ 454,108	\$ 602,848	\$ 131,012

* Charges for Utility Billing and Data Processing are included in Accounting.

NOTES:

[1] No charges to Port Fund were made prior to 1965

[2] Prior to 1965 Refuse Collection was included as part of General Fund.
A comparison of charges follows:

	1964 Original Budget *	1965 Manager Recommended Budget	Difference
Accounting	\$ 27,384	\$ 7,230	\$(20,154)
Utility Billing	30,250	27,288	(2,962)
Data Processing	10,425	13,900	3,475
Treasury	4,583	5,210	627
TOTAL	\$ 72,642 *	\$ 53,628	\$(19,014)

* Included in General Fund

	Actual Per Audit 1962	Actual Per Audit 1963	Original Budget 1964	Adjusted Budget 1964	Manager Recommends 1965	Difference 1965 Over Orig. Budget 1964
<u>V. Summary of Finance Department Charges</u>						
Gross Costs	\$ 648,673	\$ 730,303	\$ 789,998	\$ 787,290	\$ 859,909	\$ 69,911
Less: Charges to Others	457,090	380,263	471,836	454,108	602,848	131,012
Net Charges to General Fund*	\$ 191,583	\$ 350,040	\$ 318,162	\$ 333,182	\$ 257,061	\$ (61,101)

* The net charges to General Fund represent all allocated costs which were not charged to Utilities or other funds.

Fund	Total
Telephone	\$ 22,500
Electric	11,000
Water	10,000
Refuse	10,000
Total	\$ 53,500

Based on items reported by the various departments to the Utility Billing Section.

AS OF
Employees

Salary - Billings
and Expense Statement

Basis of Cost Allocations for 1965 Budget

The 1965 Budgeted costs for Accounting, Utility Billing, Data Processing and Treasury have been allocated on the same basis as 1964 with one exception. Treasury Division costs have been allocated in 1965 based on estimated 1964 revenues for each fund. These costs were allocated in 1964 based on "an analysis of each job...in order to arrive at the per centage of time spent on various utilities on general fund work". It is felt that allocation based on revenues is more appropriate and accurate and is consistent with the same method used for the Allocation of Accounting costs in both 1964 and 1965.

The following method is used to allocate the 1965 budgeted costs:

Accounting - allocation based on original 1964 budgeted revenues

<u>Fund</u>	1964 Original Budget	%
Telephone	\$ 3,430,000	25
Electric	3,334,000	24
Water	1,407,000	10
Port	755,900 (A)	5
Refuse	458,000	3
Sub Total	\$ 9,384,900	67
General	4,648,236 (B)	33
Total	\$ 14,033,136	100

A. Second quarter revised budget

B. Excludes refuse collections (now a separate fund) and Utility Fund Contributions as follows:

Refuse Collection Revenues	\$ 458,000
Utility Contributions	1,239,419
General Fund Revenue per above	4,648,236
Total General Fund Revenue per Budget	\$ 6,345,655

Utility Billing - allocation is done as follows:

- Salaries of Toll Unit (Accounting Clerk I and two Clerk I) and Teletype Operator charged to Telephone Utility.
- Salary of Accounting Clerk II (controls) was allocated as follows:

<u>Fund</u>	<u>%</u>
Telephone	50
Electric	17
Water	17
Refuse	16
	<u>100</u>

- Salaries of the remaining twenty-one staff members were allocated to the various utilities, based on the customer service work orders processed for each utility during the first eight months of 1964.

<u>Fund</u>	<u>Eight Months 1964 Total Work Orders</u>	<u>%</u>
Telephone	\$ 22,517	47
Electric	8,845	19
Water	8,688	18
Refuse	7,396	16
Total	<u>\$ 47,446</u>	<u>100</u>

- Based on Items 1 through 4, per centage figures were computed. This per centage was used to allocate 411 Utility Billing Section costs.

	<u>No. of Employees</u>	<u>Telephone</u>	<u>Electric</u>	<u>Water</u>	<u>Refuse</u>	<u>Total</u>
1. Salaries - Toll Unit and Teletype Operator	4	\$ 21,969	--	--	--	21,969
2. Salaries - Accounting Clerk II	1	3,940	1,340	1,340	1,260	7,880
3. Salaries - Balance of Staff	21	66,063	26,706	25,301	22,489	140,559
Total	26	\$ 91,972	28,046	26,641	23,749	170,408
Per cent of Total		54 %	16 %	16 %	14 %	100 %

Data Processing - allocation is based on detail machine utilization records, by, job personnel time sheets by jobs, new applications planned for 1965 and estimated volume increases due to normal growth. This was the same method as used in 1964.

Treasury - allocation is based on original 1964 budgeted revenues adjusted to include gross telephone toll billing as "revenues" for the purposes of computation. It was felt that the inclusion of gross toll billing provided a more equitable bases for allocation because the high volume of toll billing does increase the collection work load.

<u>Fund</u>	<u>1964 Original Budget</u>	<u>%</u>
Telephone	\$ 6,719,000 (A)	39
Electric	3,334,000	19
Water	1,407,000	8
Port	755,900 (B)	4
Refuse	458,000	3
Sub Total	\$ 12,673,900	73
General	4,648,236 (C)	27
Total	\$ 17,322,136	100

- A. Toll billing was estimated at \$3,289,000 based on actual collection for the first six months of 1964 of \$1,644,693.

1964 Original Revenue Budge	\$ 3,430,000
1964 estimated toll billing	3,289,000
Total "Revenue" per above	<u>\$ 6,719,000</u>

- B. Second quarter revised budget

- C. Excludes Refuse Collection (now a separate fund) and Utility Fund Contributions

SUMMARY

It is felt that the method outlined above for allocating the 1965 Finance Department charges is adequate and fair. It is recognized that several different approaches could be taken to the "allocation" question. The method used is simple, easy to understand and easy to calculate.

In our judgement the maintenance of detail time records for the purpose of providing a more "accurate" allocation is not worth the cost involved.

DEPARTMENT Finance	DIVISION Controller		ACCOUNT TITLE Court	ACCOUNT NUMBER 1202	SUMMARY		
CLASSIFICATION	ACTUAL COST 1962	ACTUAL COST 1963	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965
Personal Services	15,493	21,763	24,517	21,767	27,157	26,526	26,526
Contractual	300	8,230	11,320	11,570	11,570	11,570	11,570
Supplies	827	935	1,250	1,150	1,400	1,400	1,400
Other Charge							
Capital—Equipment	952	1,726	825	825	1,225	1,225	1,225
Total	17,572	32,654	37,912	35,312	41,352	40,721	40,721
Less Charges to Others							
Total Operating Budget	17,572	32,654	37,912	35,312	41,352	40,721	40,721
Capital—Public Improvements (See separate Section for Detail)							
Total Budget	17,572	32,654	37,912	35,312	41,352	40,721	40,721

Highlights of Recommended 1965 Program

Increased emphasis on development of written procedures and review of existing work methods.

Major Cost Variations

Salary increase of \$4,759 is due to not filling one budgeted position in 1964 offset by normal salary increases and the reclassification of one Clerk I position to a Clerk II position.

DEPARTMENT Finance		DIVISION Controller		ACCOUNT TITLE Court		ACCOUNT NUMBER 1202		DETAIL		
CODE	CLASSIFICATION	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965				
	PERSONAL SERVICES									
11	Salaries	22,617	20,617	25,257	24,626	24,626				
12	Overtime	1,900	1,150	1,900	1,900	1,900				
	Total	24,517	21,767	27,157	26,526	26,526				
	CONTRACTUAL									
21	Advertising									
22	Contracted Services	10,000	10,000	10,000	10,000	10,000		10,000		
23	Electricity and Water	420	420	420	420	420		420		
24	Insurance and Employee Benefits									
25	City Equipment Rental									
26	Other Rentals									
27	Repairs	150	150	150	150	150		150		
28	Telephone, Telegraph and Tolls	450	700	700	700	700		700		
29	Travel, Dues and Publications	300	300	300	300	300		300		
	Total	11,320	11,570	11,570	11,570	11,570		11,570		
	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	450	450	600	600	600		600		
37	Postage	200	100	200	200	200		200		
38	Printed Forms	600	600	600	600	600		600		
39	Small Tools									
	Total	1,250	1,150	1,400	1,400	1,400		1,400		
	OTHER CHARGES									
40										
41	Total									
84	CAPITAL— Equipment	825	825	1,225	1,225	1,225		1,225		
	Total	37,912	35,312	41,352	40,721	40,721		40,721		
	Less Charges to Others									
	Total Operating Budget	37,912	35,312	41,352	40,721	40,721		40,721		

DEPARTMENT Finance		DIVISION Controller		ACCOUNT TITLE Court		ACCOUNT NUMBER 1202		PERSONNEL SCHEDULE		
POSITION TITLE	GRADE	PAY RANGE	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965		MANAGER RECOMMENDS 1965		COUNCIL APPROVED 1965	
Municipal Court Clerk	16	600-702	1	1	1	7,958	1	7,958	1	7,958
Clerk II	10	475-555	2 *	3	3	17,299	3	17,299	3	17,299
Clerk I	6	406-475	1							
TOTAL			4	4	4	25,257	4	25,257	4	25,257
Less Salary Savings @ 2-1/2%								(631)		(631)
								24,626		24,626
<p>* Note: Clerk I position was reclassified by the City Manager on September 14, 1964 to a Clerk II position. This reclassification was based on a detailed review of the job duties and requirements.</p>										

DEPARTMENT Finance	DIVISION Controller	ACCOUNT TITLE Court	ACCOUNT NUMBER 1202	WORK PROGRAM
-----------------------	------------------------	------------------------	------------------------	--------------

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 other supplies as required. The conduct of the Court and the personnel assigned to the Court are under the direct jurisdiction of the presiding Magistrate. All monies derived through fines and bail forfeitures are deposited to the City's General Fund. Accounting procedures and internal control are the responsibility of the Controller.

WORK LOAD STATISTICS

	<u>1963 Actual</u>	<u>1964 Estimate *</u>	<u>1965 Estimate</u>
Cases	7156	8000	8900
Failure to Appear			
Warrants	2291	2200	2500

* 1964 Estimate is based on nine (9) months Actual experience

Personal Services

.12

Since the Magistrate desires each clerk to work a standard work week, and arraignments must be held seven (7) days a week, calling for a clerk present during these arraignments, it is necessary to budget overtime for this purpose.

Contractual

.22

The City's portion of the State furnished Magistrate's salary is \$10,000 per year, the same as 1964.

.36

Due to the anticipated increase in the work load.

DEPARTMENT Finance	DIVISION Controller	ACCOUNT TITLE Court	ACCOUNT NUMBER 1202	WORK PROGRAM
<u>.84 Equipment</u>				
<u>Description</u>	<u>Quantity</u>	<u>Budget</u>	<u>Justification</u>	
1. Adding Machine	1	\$200	This is for a new adding machine to be used by the third clerical position now without an adding machine. There are only two adding machines in the office.	
2. Typewriter	1	425	This is for a new electric typewriter for staff position without a typewriter. Office now has three typewriters.	
3. Legal Size - 4 draw File Cabinets	3	600 (3 x 200)	Based on the request of the Magistrate, legal files are recommended. These files are needed in order to replace existing temporary files and provide additional filing space for legal size documents.	

DEPARTMENT Finance	DIVISION Controller	ACCOUNT TITLE Accounting	ACCOUNT NUMBER 1204	SUMMARY			
CLASSIFICATION	ACTUAL COST 1962 Est.	ACTUAL COST 1963	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965
Personal Services	115,551	126,636	134,229	150,679	188,905	182,821	177,949
Contractual	4,485	24,449	33,148	33,548	45,375	44,675	44,675
Supplies	8,748	12,561	9,200	9,700	12,300	10,800	10,800
Other Charge							
Capital—Equipment	2,481	6,130	5,890	3,390	3,780	2,780	2,780
Total	131,265	169,776	182,467	197,317	250,360	241,076	236,204
Less Charges to Others	67,308	62,203	110,907	119,817	167,740	161,520	157,648
Total Operating Budget	63,957	107,573	71,560	77,500	82,620	79,556	78,556
Capital—Public Improvements (See separate Section for Detail)		45					
Total Budget	63,957	107,618	71,560	77,500	82,620	79,556	78,556

Highlights of Recommended 1965 Program

1. Convert General Ledger accounting and related functions to Data Processing.
2. Continuation of cost reduction program, evaluating all accounting efforts in terms of costs involved versus benefits received.
3. Development of an integrated management information system outlining existing financial and statistical data in order to provide basis for Management decisions.

Major Cost Variations

1. Personnel costs have increased as a result of the addition of three new positions as follows:
 - a. Clerk Steno II to assist with the preparation of financial reports, budgets and procedures.
 - b. Accountant I to provide accounting support for Federal programs.
 - c. Clerk I to assist in the Duplicating area.

DEPARTMENT Finance		DIVISION Controller		ACCOUNT TITLE Accounting		ACCOUNT NUMBER 1204		DETAIL		
CODE	CLASSIFICATION			ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965		
	PERSONAL SERVICES									
11	Salaries			131,229	142,679	183,905	180,321	175,449		
12	Overtime			3,000	8,000	5,000	2,500	2,500		
	Total			134,229	150,679	188,905	182,821	177,949		
	CONTRACTUAL									
21	Advertising									
22	Contracted Services			15,558	15,558	37,000	37,000	37,000		
23	Electricity and Water									
24	Insurance and Employee Benefits									
25	City Equipment Rental			960	960	960	960	960		
26	Other Rentals			13,180	13,180	3,200	3,200	3,200		
27	Repairs			800	1,200	700	700	700		
28	Telephone, Telegraph and Tolls			1,750	1,750	1,750	1,750	1,750		
29	Travel, Dues and Publications			900	900	1,765	1,065	1,065		
	Total			33,148	33,548	45,375	44,675	44,675		
	SUPPLIES Miscellaneous Supplies			5,000	5,000					
30	Building Materials									
31	Food, Clothing and Medical									
32	Gas, Oil, Grease and Motor Fuels									
33	Heating Fuel									
34	Household and Janitorial									
35	Office Supplies			1,000	1,400	8,000	7,000	7,000		
36	Postage			200	300	300	300	300		
37	Printed Forms			3,000	3,000	4,000	3,500	3,500		
38	Small Tools									
39	Total			9,200	9,700	12,300	10,800	10,800		
	OTHER CHARGES									
40										
41	Total									
84	CAPITAL—Equipment			5,890	3,390	3,780	2,780	2,780		
	Total			182,467	197,317	250,360	241,076	236,204		
	Less Charges to Others			110,907	119,817	167,740	161,520	157,648		
	Total Operating Budget			71,560	77,500	82,620	79,556	78,556		

DEPARTMENT Finance		DIVISION Controller		ACCOUNT TITLE Accounting		ACCOUNT NUMBER 1204		PERSONNEL SCHEDULE		
POSITION TITLE	GRADE	PAY RANGE	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965		MANAGER RECOMMENDS 1965		COUNCIL APPROVED 1965	
<u>Finance Director's Office</u>										
Finance Director	36	1315-1539	1	1	1	16,404	1	16,404	1	16,404
Systems and Procedures Analyst	30	1040-1217	1	1	1	12,931	1	12,931	1	12,931
Accountant II (Internal Auditor)	23	790-925	0	1 [B]	1	9,666	1	9,666	1	9,666
Secretary	15	577-674	0	1 [C]	1	7,108	1	7,108	1	7,108
Clerk Steno II	11	494-577	1	0	1	5,928	1	5,928	1	5,928
Sub Total			3	4	5	52,037	5	52,037	5	52,037
<u>Accounting Unit</u>										
Controller	33	1170-1367	1	1	1	14,557	1	14,557	1	14,557
Accounting Officer	27	925-1081	1	1	1	11,433	1	11,433	1	11,433
Accountant II	23	790-925	2	2	2	19,670	2	19,670	2	19,670
Accountant I	20	702-821	1	1	2	17,100	2	17,100	2	17,100
Accounting Clerk II	16	600-702	1	1	1	7,668	1	7,668	1	7,668
Accounting Clerk I	11	494-577	1	1	1	6,070	1	6,070	1	6,070
Bookkeeping Machine Opr	11	494-577	1	1	1	5,994	1	5,994	1	5,994
Clerk II	10	475-555	0	1 [D]	1	5,814	1	5,814	1	5,814
Clerk I	6	406-475	2 [A]	1	1	4,872	1	4,872	1	4,872
Sub Total			10	10	11	93,178	11	93,178	11	93,178
<u>Payroll Unit</u>										
Accountant I	20	702-821	1	1	1	9,697	1	9,697	1	9,697
Accounting Clerk I	11	494-577	0	1 [E]	1	6,177	1	6,177	1	6,177
Sub Total			1	2	2	15,874	2	15,874	2	15,874

CITY OF ANCHORAGE

DEPARTMENT Finance		DIVISION Controller		ACCOUNT TITLE Accounting		ACCOUNT NUMBER 1204		PERSONNEL SCHEDULE		
POSITION TITLE	GRADE	PAY RANGE	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965		MANAGER RECOMMENDS 1965		COUNCIL APPROVED 1965	
<u>Office Services Unit</u>										
Duplicating Machine Opr	13	534-624	1	1	1	7,332	1	7,332	1	7,332
Switchboard Operator	7	421-494	1	1	1	5,128	1	5,128	1	5,128
Messenger Clerk	6	406-475	1	1	1	4,954	1	4,954	1	4,954
Clerk I	6	406-475	0	0	1	4,872	1	4,872	0	--
Sub Total			3	3	4	22,286	4	22,286	3	17,414
Total Regular Staff			17	19	22	183,375	22	183,375	22	178,503
Temporary Salaries						700		700		700
Vacation Replacements Messenger						374		374		374
Accounting Clerk I						456		456		456
Less: Salary Savings						(1,000)		(4,584)		(4,584)
GRAND TOTAL			17	19	22	183,905	22	180,321	21	175,449
<u>Council Review</u> - Clerk I in Office Services Unit was eliminated by Council.										

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

Controller's Division
Accounting Section-Account Number 1204

Notes to Personnel Schedule

- [A] Original 1964 budget provided for 3 months for a Clerk I position.
- [B] Approved by Council as part of second quarter budget revision based on recommendation of Peat, Marwick, Mitchell & Company, independent auditors.
- [C] Clerk Steno II position was reclassified by City Manager in August 1964 to Secretary.
- [D] Clerk I (Accounts Payable) position was reclassified by City Manager in July 1964 to Clerk II position.
- [E] Approved by Council as part of second quarter budget revision to handle retirement and insurance programs.

Interfund Charges

Allocation of costs to using departments has been made on the basis of gross revenues of the using department as being the key ratio for work requirements of the section. This was the same basis as used in 1964. The ratio for 1965 based on 1964 budgeted revenues and recommendation of City Manager for 1965 is as follows:

<u>Fund</u>	<u>%</u>	<u>Amount</u>
Telephone	25	\$ 60,270
Electric	24	57,860
Water	10	24,110
Port	5	12,050
Refuse	3	7,230
Sub Total	67	\$161,520
General	33	79,556
TOTAL	<u>100</u>	<u>\$241,076</u>

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

I. BUDGET JUSTIFICATION

.11 Salaries - Three new positions are recommended as follows:

1. Clerk Steno II - One secretary presently provides stenographic services to the Finance Director, Controller, Systems and Procedures Analyst and Accounting Section. Additional clerical assistance is required to handle the following: Financial reports - Monthly and annual
Budgets
Finance Department Procedure Manual (Over 125 Procedures and revisions have been issued in 1964.)
Records retention and reports control programs

It is felt that this position will relieve the top staff of the Finance Department from clerical work that they are now doing, thereby enabling them to work at their highest capacity.

2. Accountant I - This accountant is recommended in order to provide accounting support for the following federal programs (non-earthquake related) in which the City is now participating:

<u>Program</u>	<u>Amount</u>
1) Accelerated Public Works Project #32G-Streets & Storm Sewer	\$ 1,044,000
2) Accelerated Public Works Project #41G-Sanitary Sewer & Water	205,000
3) Federal Aviation Agency-Merrill Field Control Tower & fencing	60,000
4) FAA - Merrill Field Taxiway lighting and improvements	166,000
5) FAA - Merrill Field Rehabilitate and Resurface runway	100,000
6) Advance Planning Grant-Port Industrial Park Utilities	25,000
7) Advance Planning Grant - Dock Extension	110,000
8) Advance Planning Grant - Water & Storm Drainage	35,000
9) Planning Grant - Planning Department	66,097
10) Mass Transportation Demonstration Grant	311,884
11) Stanford Research Institute-Community Shelter Program	9,279
12) Civil Defense	42,631
13) Public Law 875 - Federal Disaster Assistance	1,434,509
14) Alaska Transitional Grant - Revenue Loss	1,423,631
15) Alaska Transitional Grant - Extraordinary Expense	754,978
16) Federal Library Services Grant	40,000
17) Northern Lights Urban Renewal.	-
18) Westchester Urban Renewal	-
19) Eastchester Urban Renewal	-
20) Downtown Urban Renewal	-

TOTAL

\$ 5,828,009

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

Each of these federal programs require follow-through to be sure that cash advances are received and that final audits are made in order that the City can receive final payments. It is necessary for the City to work with Federal Auditors on the final audits. Separate accounting procedures and reports are required for each program depending on the requirements of the federal agency concerned. Most Federal Government grant or loan programs make no provision for accounting costs. It is felt that the new Accountant I position will provide better control and accountability over the existing 11 federal programs in addition to providing accounting support for new programs entered into during 1965.

3. Clerk I - This new position is recommended for the duplicating unit. At present one Duplicating Machine Operator is budgeted for this unit. Work load statistics for this unit are as follows:

	<u>1963</u> <u>Actual</u>	<u>1964</u> <u>Est. *</u>	<u>1965</u> <u>Est.</u>
No. of copies of Multilith (1000's)	1,318	1,440	1,500

* Based on 9 months actual

An additional staff member of a lower pay range and skill level will relieve the Duplicating Machine Operator of the following:

- Prepare xerox copies
- Prepare ditto copies
- Padding forms
- Assembling of papers
- Stapling papers and binding reports

It is felt that this new position will allow the Duplicating Machine Operator to spend her full time at her highest skill

During the second quarter 1965 it is planned to install a new central switchboard for all City departments. The Accounting Section switchboard operator would then be one of the two operators on this board. This salary is budgeted in full here.

.12 Overtime - \$5,000 overtime was based on 1964 experience which included considerable overtime for the payroll bookkeeping machine operator. The need for this overtime was eliminated with Council's approval in September 1964 of a contract with the Business Service Bureau for the preparation of the payroll.

City Manager reduced to \$2,500 based on approval of Business Service Bureau contract and increased staff.

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Controller	Accounting	1204	
<u>.22 Contracted Services</u>				
		1. Data Processing Section	\$ 19,527	
		2. Insurance Consultant	3,000	
		3. Private Data Processing Service for Payroll	14,200	
		4. Labor for moving records, etc.	273	
			<u>\$ 37,000</u>	
<u>.25 City Equipment Rental</u>				
		Vehicle for Messenger Clerk	\$ 960	
<u>.26 Other Rentals</u>				
		Xerox 914 duplication machine rental	\$ 3,200	
This account has been reduced \$9980 for rental of the Compu-tronic Bookkeeping Machine used for Payroll. This reduction has been offset by an increase in Contracted Services (Account .22).				
<u>.27 Repairs</u>				
		Multilith Machine maintenance contract	\$ 560	
		Other repairs to office machines	140	
			<u>700</u>	
<u>.28 Telephone</u>				
		Flat rate charges \$131/mo. X 12 =	\$ 1,572	
		Toll charges	178	
			<u>\$ 1,750</u>	
<u>.29 Travel, Dues & Publications</u>				
		Professional Books and publications	\$ 100	
		Mileage	50	
		Municipal Finance Officers' Conference:		
		Finance Director	700	
		Controller	700	
		Professional Expense	200	
		Municipal Finance Officers' Assn. Dues	15	
		Total	<u>\$ 1,765</u>	(Carried forward next page)

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Controller	Accounting	1204	
Forward			\$ 1,765	
City Manager reduced attendance at National conference to one staff member for the Finance Department. The City Manager feels that attendance by a Finance staff member at a utility conference would be desirable. Such a conference would be funded from utility budget.			(700)	
			<u>\$ 1,065</u>	
<u>.36 Office Supplies</u> (Includes duplicating supplies budgeted in Account .30 [Miscellaneous Supplies] in 1964.)				
Duplicating (\$5,500) and Office Supplies (\$2,500) \$8,000 reduced by City Manager to \$7,000-- (Duplicating \$5,000; Office Supplies \$2,000)				
<u>.38 Printed Forms</u> (Includes Annual Financial Report [400 copies prepared in 1964] \$4,000)				
Reduced by City Manager to \$3,500				
<u>.84 Equipment</u>				
		<u>Amount</u>		<u>Justification</u>
<u>Systems Analyst</u>				
	File cabinet - 4 drawer	\$ 100		Needed for general filing and copies of Finance Department Procedures.
<u>Payroll Unit</u>				
	Adding Machine	200		Needed by Accounting Clerk to replace 9-year old machine
	File cabinet - 5 drawer	125		Needed for personnel records and payroll files
	Ledger File (for payroll cards)	210		Needed for individual earnings records now filed in cardboard boxes.
<u>Office Services Unit (Duplicating)</u>				
	Tables - 3	225		To be used for assembling and padding of materials.
	Attachment for Multilith Machine	420		These attachments to our machine will increase production.
	Electric Static Eliminator			
	Oscillating Interoller			
	Work Organizer			
	Mechanical logger			

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

	<u>Amount</u>	<u>Justification</u>
Hydraulic paper cutter	\$ 700	To be used for the many paper cutting jobs performed including forms and pads.
<u>Accounting Unit</u>		
Typewriter (Electric)	425	For new Clerk Steno II position
File cabinet - 5 drawer	125	For accounting vouchers
Adding Machine	250	For new Accountant position
	<u>\$ 2,780</u>	

The original budget request was \$3,780. City Manager deleted the following equipment based on the use of Municipal Light and Power Department office furniture, by the City Manager's office when it moves to the City Hall Annex, and use of the City Manager's office furniture by the Finance Department:

Side Chairs - 3	\$ 150
Desk - Payroll	150
Desk - Duplicating	150
Desks & Chairs- Accounting	550
	<u>\$ 1,000</u>

To analyze the cost of the Accounting function it is necessary to separate costs which have been included in this budget for financial control and supervision, but which are not a direct part of the Accounting function.

<u>Description</u>	<u>Non-Accounting Cost</u>
<u>Salaries:</u>	
Finance Director's Office	\$ 52,037
Office Services Unit	22,286
<u>Contractual and Supplies</u>	
City Equipment Rental (Messenger's Automobile)	960
Xerox 914 duplicating machine rental	3,200
Supplies, duplicating	5,000
Multilith duplicating machine maintenance contract	560
<u>Capital</u>	
For duplicating	1,345
Total non-Accounting costs	\$ <u>85,388</u>
Accounting Costs	<u>164,972</u>
Total Budget	\$ <u><u>250,360</u></u>

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

Work Load Statistics

	1963	1964	1965
		Est. [A]	Est.
1. Payroll checks issued	15,600	16,300	18,000
2. Voucher checks issued	5,157	5,950 [B]	6,200
3. Local purchase orders processed	8,778	8,000 [C]	8,700
4. General purchase orders processed	1,293	1,800	1,900

[A] Based on 9 months actual for 1964

[B] Does not include 958 voucher checks issued March 27 - September 30, 1964 due to earthquake.

[C] Decrease is due to earthquake as reflects in third quarter:

	<u>3rd Quarter 1963</u>	<u>3rd Quarter 1964</u>
Local Purchase Orders Issued	2,487	1,750

Work Program

1. Continue implementation of recommendations made by Peat, Marwick, Mitchell & Company, independent auditors, in their management letter and internal audit report.
2. Place payroll operation on 1401 computer at the Business Service Bureau.
3. Continue development of procedures for cash forecasting.
4. Convert general ledger accounting and related function to Data Processing.
5. Continue and intensify the development of written procedures.
6. Implement a training program for Accounting Section staff and other City staff members on Accounting and finance policies and procedures.
7. Continue our cost reduction program by evaluating all Accounting effort in terms of costs involved and benefits received. The following progress on this program has been made:
 - A. Elimination of Xerox duplicating log and related Accounting
 - B. Elimination of bills for collection under \$10
 - C. Elimination on overhead distribution of small amounts
 - D. Review of distribution of financial reports and Data Processing reports to eliminate copies that are not required.
 - E. Preparation of financial reports by hand and Xeroxing copies for duplication. This eliminates typing and proof reading.
 - F. Elimination, effective January 1, 1965, of cost accounting for small telephone work orders-- those under \$500.

DEPARTMENT Finance	DIVISION Controller	ACCOUNT TITLE Utility Billing	ACCOUNT NUMBER 1290	SUMMARY			
CLASSIFICATION	ACTUAL COST 1962	ACTUAL COST 1963	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965
Personal Services	180,675	170,675	179,992	163,952	174,718	169,428	169,428
Contractual	3,437	2,535	1,900	6,400	6,400	6,400	6,400
Supplies	16,040	16,530	20,500	21,000	17,000	17,000	17,000
Other Charge							
Capital—Equipment	1,360	5,349	2,000	3,340	2,000	2,000	2,000
Total	201,512	195,089	204,392	194,692	200,118	194,828	194,828
Less Charges to Others	201,512	195,093	204,392	194,692	200,118	194,828	194,828
Total Operating Budget	-0-	(04)	-0-	-0-	-0-	-0-	-0-
Capital—Public Improvements (See separate Section for Detail)							
Total Budget							

Highlights of Recommended 1965 Program

1. Complete reorganization of Customer Utility Service
2. Review of paperwork systems and procedures
3. Implementation of new systems and procedures
4. Continuation of intensive training program for staff members

Major Cost Variations

None

DEPARTMENT Finance		DIVISION Controller		ACCOUNT TITLE Utility Billing		ACCOUNT NUMBER 1290		DETAIL		
CODE	CLASSIFICATION			ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965		
	PERSONAL SERVICES									
11	Salaries			177,992	161,952	171,718	167,428	167,428		
12	Overtime			2,000	2,000	3,000	2,000	2,000		
	Total			179,992	163,952	174,718	169,428	169,428		
	CONTRACTUAL									
21	Advertising									
22	Contracted Services									
23	Electricity and Water									
24	Insurance and Employee Benefits									
25	City Equipment Rental									
26	Other Rentals									
27	Repairs			100	600	600	600	600		
28	Telephone, Telegraph and Tolls			1,700	5,700	5,700	5,700	5,700		
29	Travel, Dues and Publications			100	100	100	100	100		
	Total			1,900	6,400	6,400	6,400	6,400		
	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	2,000	2,000	2,000	2,000		
37	Postage			14,000	14,000	10,000	10,000	10,000		
38	Printed Forms			5,000	5,000	5,000	5,000	5,000		
39	Small Tools									
	Total			20,500	21,000	17,000	17,000	17,000		
	OTHER CHARGES									
40										
41										
	Total									
84	CAPITAL— Equipment			2,000	3,340	2,000	2,000	2,000		
	Total			204,392	194,692	200,118	194,828	194,828		
	Less Charges to Others			204,392	194,692	200,118	194,828	194,828		
	Total Operating Budget			-0-	-0-	-0-	-0-	-0-		

DEPARTMENT Finance		DIVISION Controller		ACCOUNT TITLE Utility Billing		ACCOUNT NUMBER 1290		PERSONNEL SCHEDULE		
POSITION TITLE	GRADE	PAY RANGE	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965		MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965		
Utility Billing Supv.	23	790-925	1	1	1	11,100	1	11,100	1	11,100
Customer Service Supv. (Accountant I)	20	702-821	1	1	1	8,634	1	8,634	1	8,634
Billing Supervisor (Accounting Clerk II)	16	600-702	3	2	2	15,260	2	15,260	2	15,260
Clerk III	13	534-624	8	8	8	53,341	8	53,341	8	53,341
Accounting Clerk I	11	494-577	8	9	9	54,898	9	54,898	9	54,898
Clerk II	10	475-555	2	2	2	11,600	2	11,600	2	11,600
Clerk I	6	406-475	6	3	3	14,885	3	14,885	3	14,885
Temporary held and fill-in vacation help						2,000		2,000		2,000
			29	26	26	171,718	26	171,718	26	171,718
Less: Salary Savings @ 2-1/2%						-0-		(4,290)		(4,290)
						171,718		167,428		167,428

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

Interfund Charges

Allocation of cost was made on the same basis as 1964. See Finance Department Summary on interfund charges for details.

<u>Fund</u>	<u>%</u>	<u>Amount</u>
Telephone	54	\$ 105,200
Electric	16	31,170
Water	16	31,170
Refuse	14	27,288
TOTAL	100	\$ 194,828

.12 Overtime

The Billing Section has had considerable overtime which is seasonal, much like the construction season in Anchorage. From May through September, people are constantly moving, transients stay for the summer, military is rotating, new homes are built and people transferring from one location to another.

Reduced from \$3,000 to \$2,000 by City Manager.

.37 Postage was reduced \$4,000 as a result of the allocation of these costs to the using department.

.84 Equipment - \$2,000 has been budgeted for this item based on the planned organization of the Customer Service function. The actual equipment needs will be determined after the reorganization plan is approved by the City Manager.

The Utility Billing Section is responsible for utility customer service and billing (pre-IBM) for all utilities. There was a considerable increase of workload in all units of billing, due to the earthquake. However, excluding the disaster, our workload for the first three months of 1964 showed an increase over 1962 of 17% and an increase over 1963 of 16% for the same period.

	1962	1963	1964
Monthly average number of utility bills mailed, excluding Government bills	17,765	18,268	18,602
Individual customer service work orders processed	35,014	35,618	41,380*

* Last 4 months estimated on 8% increase based on 1962-1963

DEPARTMENT
FinanceDIVISION
ControllerACCOUNT TITLE
Utility BillingACCOUNT NUMBER
1290

WORK PROGRAM

Following is a breakdown of workload, using actual figures for months of January through August 1964:

	1962-1963 Average	1964	Increased Difference	%
Customer Contacts - Service Unit	21,395	24,360	2,965	14
Cut-in orders, all utilities	22,570	25,614	3,044	13
Cut-out orders, all utilities	18,184	21,832	3,648	20
Tolls & telegrams received	276,819	316,958	40,139	15
Final bills processed	8,244	10,312	2,068	25

We project an over-all increase of at least 15% in workload for Billing Section, due to new and additional telephone, electrical and water facilities to be made available to the public in 1965. This would necessitate a 10% increase in personnel (two Accounting Clerk I positions in Billing Unit and one Clerk III in Customer Service Unit).

The City Manager notes that the City will operate Utility Customer Service under a concept of improved centralization. Duplication and overlapping services will be eliminated as the improved centralized system is cooperatively developed. This program will be initiated in 1965 with anticipated cost reductions.

DEPARTMENT Finance	DIVISION Controller	ACCOUNT TITLE Data Processing	ACCOUNT NUMBER 1291	SUMMARY			
CLASSIFICATION	ACTUAL COST 1962	ACTUAL COST 1963	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965
Personal Services	64,023	80,490	88,987	84,837	116,419	104,859	104,859
Contractual	29,132	32,984	41,945	45,045	44,102	43,602	43,602
Supplies	9,986	15,994	16,500	16,900	16,250	16,250	16,250
Other Charge							
Capital—Equipment	868	2,676	1,500	1,250	900	900	900
Total	104,009	132,144	148,932	148,032	177,671	165,611	165,611
Less Charges to Others	104,009	132,144	148,932	148,032	177,671	165,611	165,611
Total Operating Budget	0		0	0	0	0	0
Capital—Public Improvements (See separate Section for Detail)							
Total Budget	0		0	0	0	0	0

Highlights of Recommended 1965 Program

1. Complete feasibility study on the justification for a computer.
2. Mechanize complete General Ledger Accounting.
3. Start Computer conversion programming.
4. Update current data processing applications.

Major Cost Variations

1. Personal Services - increase of three positions and decrease one position to meet management's requirements. \$20,022 Increase
2. Other Rentals - one additional key punch and full year rental on several machines received during 1964. \$ 2,907 Increase

DEPARTMENT Finance		DIVISION Controller		ACCOUNT TITLE Data Processing		ACCOUNT NUMBER 1291		DETAIL		
CODE	CLASSIFICATION	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965				
	PERSONAL SERVICES									
11	Salaries	86,587	82,437	113,669	102,109	102,109				
12	Overtime	2,400	2,400	2,750	2,750	2,750				
	Total	88,987	84,837	116,419	104,859	104,859				
	CONTRACTUAL									
21	Advertising									
22	Contracted Services		4,100							
23	Electricity and Water									
24	Insurance and Employee Benefits									
25	City Equipment Rental									
26	Other Rentals	39,645	39,645	42,552	42,552	42,552				
27	Repairs	100	100	50	50	50				
28	Telephone, Telegraph and Tolls	1,700	700	500	500	500				
29	Travel, Dues and Publications	500	500	1,000	500	500				
	Total	41,945	45,045	44,102	43,602	43,602				
	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	650	250	250	250				
37	Postage									
38	Printed Forms	15,000	15,000	15,000	15,000	15,000				
39	Small Tools	1,000	1,250	1,000	1,000	1,000				
	Total	16,500	16,900	16,250	16,250	16,250				
	OTHER CHARGES									
40										
41	Total									
84	CAPITAL—Equipment									
		1,500	1,250	900	900	900				
	Total	148,932	148,032	177,671	165,611	165,611				
	Less Charges to Others	148,932	148,032	177,671	165,611	165,611				
	Total Operating Budget	0	0	0	0	0				

DEPARTMENT Finance		DIVISION Controller		ACCOUNT TITLE Data Processing		ACCOUNT NUMBER 1291		PERSONNEL SCHEDULE			
POSITION TITLE	GRADE	PAY RANGE	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965		MANAGER RECOMMENDS 1965		COUNCIL APPROVED 1965		
Data Processing Super.	28	962-1125	1	1	1	12,849	1	12,849	1	12,849	
Programmer	25	854-1000	1	1	1	10,353	1	10,353	1	10,353	
Project Planner	23	790-925	0	0	1	9,480	0	0	0	0	
Operations Supervisor	19	674-790	0	0	1	8,088	1	8,088	1	8,088	
D.P. Machine Operator -II	16	600-702	1	2	2	15,156	2	15,156	2	15,156	
D.P. Machine Operator -I	12	513-600	2	1	0	0	0	0	0	0	
Clerk III	13	534-624	1	1	1	6,576	1	6,576	1	6,576	
Key Punch Operator II	12	513-600	1	1	1	6,324	1	6,324	1	6,324	
Key Punch Operator I	9	456-534	6	6	7	39,683	7	39,683	7	39,683	
Clerk II	10	475-555	0	0	1	5,700	1	5,700	1	5,700	
TOTAL			13	13	16	114,209	15	104,729	15	104,729	
Less Salary Savings @ 2-1/2%						(540)		(2,620)		(2,620)	
						113,669		102,109		102,109	

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

Interfund Charges (con't)

The interfund charges were based on three factors:

1. Detail records of times expended per job by Data Processing personnel.
2. Detail records of times expended per job by Data Processing equipment.
3. Anticipated increases in work load due to normal volume increases.

JUSTIFICATION

1291.11 Salaries

1. Addition of one Project Planner

A project planner is necessary to fill the gap that is now evident in the Data Processing Section in the job planning and maintenance area. We are at a point at which no new application receives proper pre-installation planning. Therefore, the result is a loose-knit, incorrect procedure that requires revamping soon after implementation. Further, procedure maintenance is extremely necessary to keep current with changing requirements. This is not being accomplished today. As a result current jobs are becoming increasingly more difficult to process and incorrect reports are on the increase. This is causing an increased work load for re-run time.

The City Manager recommends this position be combined with the Operations Supervisor position for 1965. The City Manager feels that there will be a need for a project planner in 1966 with the installation of a computer.

2. Addition of one Operations Supervisor.

An Operations Supervisor is necessary to increase the over-all effectiveness of the Data Processing Section and maintain proper control over the Key Punch Unit and Machine Operations Unit. The Data Processing Supervisor is currently attempting to accomplish this but because of other duties (over-all supervision, personnel administration, inter-departmental co-ordination, job planning, board wiring, etc.) it is virtually impossible to maintain detail supervision and control over daily routine operations. Our operations are becoming involved in a greater number of applications each day and "low priority" jobs are suffering because of lack of control. We are now producing approximately 175 different reports and listings. This fact alone points out the fact that control is vital.

The City Manager recommends that this position be approved.

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

JUSTIFICATION (con't)

5. Addition of one Clerk II - Control Clerk

We currently have one Clerk III whose duties are as follows:

- Detail control ledgers on Utility Billing
- Inventory Control
- Traffic Violations
- Security Deposits
- Tolls and Telegrams

- Stamps and logs all incoming documents
- Logs all outgoing reports
- Balance various reports
- Answer inquiries from other sections
- Decollates, bursts and books reports
- Maintains various report files

The control and balance function on the Utility Billing application alone formerly required 75% of one persons time in the Utility Billing Section. The one Clerk III is basically doing the same function in addition to the other duties and is unable to accomplish all tasks. Therefore, people from other sections have to decollate, burst and book their own reports. We often have to take the time to teach them how to operate the decollator and burster. The task of balancing ledgers and reports often has to be done by a machine operator so the report can be released on time. The Data Processing Supervisor often must assist in this area because of no one being available. The current employee is a fairly recent transfer from another City department. Therefore, a vacation problem has not arisen. However, when this individual does go on vacation the majority of all reports will go out late. We will be utilizing other employees to fill in and all operations will suffer.

In summary, the Data Processing Section is currently not capable of meeting the time requirements of all Departments being serviced. We are constantly working on a priority basis and low priority jobs are suffering. If management desires to have an efficient, timely and accurate Data Processing Section that is capable of meeting todays management requirements and tomorrows additional requirement, it is imperative that the above positions be authorized.

The City Manager recommends an additional Control Clerk based on the recommendation of Peat, Marwick, Mitchell & Co., independent auditors, in their management letter of December 1963.

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

JUSTIFICATION (con't)

1291.12	Overtime	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., requires overtime to maintain this schedule.		
1291.26	Other Rentals	Justification given on separate sheet.		
1291.29	Travel, Dues and Publications	Two possible trips to Seattle for program testing in preparation for conversion to Computer. Data Processing Management Association dues. Total, \$1,000. The City Manager reduced this account to \$500, based on the availability of a computer in the Anchorage area to pre-test our computer programs.		

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

JUSTIFICATION (con't)

1291.26 Other Rentals

<u>Machine</u>	<u>Auth. 1964 (No. of months)</u>	<u>1965 Dept. Request (No. of months)</u>	<u>Cost per month Rental Basis</u>	<u>Annual Cost</u>
024-1 Key Punch	12	12	\$ 43	\$ 516
024-2 Key Punch	12	12	43	516
024-3 Key Punch	12	12	43	516
024-4 Key Punch w/self check device	8	12	78	936
* 024-5 Key Punch	0	12	43	516
056-1 Verifier	12	12	53	636
056-2 Verifier	12	12	53	636
056-3 Verifier	8	12	53	636
082-1 Sorter	10	0	62	0
083-1 Sorter	12	12	112	1,344
083-2 Sorter w/file feed	2	12	162	1,944
085-1 Collator	5	0	125	0
088-1 Collator	12	12	390	4,680
088-2 Collator w/digit selector	7	12	400	4,800
403-1 Accounting Machine	12	12	495	5,940
403-2 Accounting Machine	12	12	495	5,940
403-1 Accounting Machine	7	12	495	5,940
514-1 Reproducing Punch	12	12	128	1,536
514-2 Reproducing Punch w/selector	12	12	140	1,680
548-1 Interpreter	12	12	100	1,200
602-A Calculator	12	12	220	2,640
TOTAL				<u>\$42,552</u>

* One additional Key Punch requested for 1965 due to saturation of current key punch equipment.

DEPARTMENT

Finance

DIVISION

Controller

ACCOUNT TITLE

Data Processing

ACCOUNT NUMBER

1291

WORK PROGRAM

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:

1. Traffic violations and delinquent notices
2. Telephone toll billing
3. Motor Vehicle Registration
4. Utility Billing
5. General accounting - distribution of costs
6. Security deposit accounting
7. Traffic accident reporting
8. All property taxes
9. Special assessment notices and billing
10. Utility billing delinquent notices

During 1964 the following applications were mechanized:

1. Mechanized stock inventory control - stock catalog - inventory balance reporting
2. Detail payroll distribution
3. Detail material distribution
4. Work Order Summary Reports - telephone and special assessments
5. Telephone overhead distribution
6. Telephone year-to-date expense ledger
7. Miscellaneous accounts receivable
8. Personnel directories
9. Personnel time cards
10. 1964 tax roll - disaster adjustments
11. Detail, Data Processing reports control and numbering system (175 various reports)

DEPARTMENT Finance	DIVISION Treasury		ACCOUNT TITLE Treasury		ACCOUNT NUMBER 1207		SUMMARY	
CLASSIFICATION	ACTUAL COST 1962 Est.	ACTUAL COST 1963	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965	
Personal Services	175,701	162,601	169,571	178,571	197,099	187,725	187,725	
Contractual	43,405	44,773	50,161	45,951	49,349	49,349	49,349	
Supplies	10,221	10,738	15,300	17,300	16,600	16,600	16,600	
Other Charge	76	4,103	4,800	3,400	3,800	3,800	3,800	
Capital—Equipment	303	11,079	14,375	2,027	1,670	920	920	
Total	229,706	233,294	254,207	247,249	268,518	258,394	258,394	
Less Charges to Others	118,786	91,082	156,194	154,186	139,792	135,200	135,200	
Total Operating Budget	110,920	142,212	98,013	93,063	128,726	123,194	123,194	
Capital—Public Improvements (See separate Section for Detail)								
Total Budget	110,920	142,212	98,013	93,063	128,726	123,194	123,194	

Highlights of Recommended 1965 Program

Improved traffic ticket control

Application of special assessment billing and accounts receivable records to data processing

Coordinate delinquent tax collections and property record information with Borough

Major Cost Variations

Personal Services cost increased due to 1964 salary increase. One less position budgeted

Charges to Others reduced due to tax collection function transferred in part to Borough

DEPARTMENT Finance		DIVISION Treasury		ACCOUNT TITLE Treasury		ACCOUNT NUMBER 1207		DETAIL		
CODE	CLASSIFICATION			ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965		
	PERSONAL SERVICES									
11	Salaries			167,871	176,871	195,499	186,725	186,725		
12	Overtime			1,700	1,700	1,600	1,000	1,000		
	Total			169,571	178,571	197,099	187,725	187,725		
	CONTRACTUAL									
21	Advertising			700	-0-	700	700	700		
22	Contracted Services			37,417	37,257	39,939	39,939	39,939		
23	Electricity and Water									
24	Insurance and Employee Benefits			3,000	700	750	750	750		
25	City Equipment Rental			1,500	900	960	960	960		
26	Other Rentals			2,444	2,444	2,450	2,450	2,450		
27	Repairs			950	600	550	550	550		
28	Telephone, Telegraph and Tolls			3,950	3,950	3,800	3,800	3,800		
29	Travel, Dues and Publications			200	100	200	200	200		
	Total			50,161	45,951	49,349	49,349	49,349		
	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			2,450	4,150	4,050	4,050	4,050		
37	Postage			11,250	11,600	11,000	11,000	11,000		
38	Printed Forms			1,400	1,450	1,550	1,550	1,550		
39	Small Tools			200	100					
	Total			15,300	17,300	16,600	16,600	16,600		
	OTHER CHARGES									
40	Cash over and short			300	300	300	300	300		
45	Discounts on Special Assessments			4,500	3,100	3,500	3,500	3,500		
	Total			4,800	3,400	3,800	3,800	3,800		
84	CAPITAL—Equipment			14,375	2,027	1,670	920	920		
	Total			254,207	247,249	268,518	258,394	258,394		
	Less Charges to Others			156,194	154,186	139,792	135,200	135,200		
	Total Operating Budget			98,013	93,063	128,726	123,194	123,194		

DEPARTMENT Finance		DIVISION Treasury		ACCOUNT TITLE Treasury		ACCOUNT NUMBER 1207		PERSONNEL SCHEDULE			
POSITION TITLE	GRADE	PAY RANGE	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965		MANAGER RECOMMENDS 1965		COUNCIL APPROVED 1965		
Treasurer	30	1040- 1217	1	1	1	13,214	1	13,214	1	13,214	
Credit & Collect. Supv.	26	889-1040	1	1	1	12,280	1	12,280	1	12,280	
Collection Manager	23	790-925	1	1	1	9,743	1	9,743	1	9,743	
Treas. Div. Investigator	21	730-845	1	1	1	9,573	1	9,573	1	9,573	
Tax & Assessment Section Supervisor	20	702-821	1	1	1	8,847	1	8,847	1	8,847	
Receipts & Custody Section Supervisor	20	702-821	1	1	1	8,522	1	8,522	1	8,522	
Accounting Clerk II	16	600-702	1	1	1	7,308	1	7,308	1	7,308	
Clerk III	13	534-624	8	9	9	60,728	9	60,728	9	60,728	
Clerk-Steno II	11	494-577	1	1	1	6,071	1	6,071	1	6,071	
Accounting Clerk I	11	494-577	6	6	5	31,329	5	31,329	5	31,329	
Clerk II	10	475-555	3	3	4	23,438	3	17,510	3	17,510	
			25	26	26	191,053	25	185,125	25	185,125	
Vacation Replacements & Temporary Help						4,446		6,228		6,228	
Salary Savings						-0-		(4,628)		(4,628)	
TOTAL						195,499		186,725		186,725	

CITY OF ANCHORAGE

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

Interfund Charges

The reduction in this account is affected by the deletion of the direct charge of \$30,000 for AISD.

Charges to other departments for 1965 is based on the ratio of 1964 budgeted revenues to the total 1964 budget revenues. The amount of gross tolls has been included in telephone "revenues" for purposes of this computation. It is felt that this ratio provides the most meaningful bases for allocation of costs. This distribution is based on the City Manager's recommended 1965 budget.

<u>Fund</u>	<u>Prorated Charges-%</u>	<u>Prorated Charges</u>	<u>Direct Charges</u>	<u>Total</u>
Telephones	39	67,740	-0-	67,740
Electric	19	33,000	-0-	33,000
Water	8	13,900	8,400	22,300
Port	4	6,950	-0-	6,950
Refuse	3	5,210	-0-	5,210
Sub Total	73	126,800	8,400	135,200
General	27	46,893	76,301	123,194
Total	100	173,693	84,701	258,394

Total charges to other Departments is	135,200
General Fund charges	<u>123,194</u>
Total charges	<u>258,394</u>

DEPARTMENT	DIVISION	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
Finance	Treasury	Treasury	1207	
Direct Charges are as follows:				
<u>Tax and Special Assessment Section</u>				
Accountant I			\$ 8,847	
Clerk III			6,682	
Accounting Clerk II (2 positions)			12,235	
Office Supplies			236	
			\$ 28,000	70% General Fund 30% Water Fund
<u>Traffic Violation Section</u>				
Accounting Clerk II			\$ 7,308	
Clerk III			6,545	
Clerk II (2 positions)			11,629	
Part-time help			2,850	
Contractual			25,439	
Supplies			2,650	
Equipment			280	
			\$ 56,701	All General Fund
Total Direct Charges			\$ 84,701	
<u>Allocation of Direct Charges</u>				
	<u>General Fund</u>	<u>Water Fund</u>	<u>Total</u>	
Tax and Special Assessment Section	\$ 19,600	\$ 8,400	\$ 28,000	
Traffic Violation Section	56,701	-0-	56,701	
Total	\$ 76,301	\$ 8,400	\$ 84,701	

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

Traffic Violations Bureau

In recent years the Traffic Violations Bureau has been budgeted under Account 1208. Since this is a section of the Treasury Division it is combined with other Treasury functions in 1965 under Account 1207.

The Traffic Violations section 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 post bail.

Even though many meters were destroyed by the earthquake, 66,669 traffic citations were issued through August 1964. A total of \$141,045 was collected during this 8-month period.

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"; special handling of juvenile violators; issuing complaints and summons or warrants on tickets which cannot be handled in the routine manner; confirming, listing and transferring to Magistrate's Court the bail collected by the Police Department.

It has been recognized for many years by both the staff and by the independent auditors that some system of cash control was needed in this section. During 1964 a study was made by the Systems and Procedures Analyst and a ticket control system has been instigated. A continuing study will be made during 1965 to determine if further controls are necessary or feasible.

With the rental of a sorter and collator in 1964, one employee was deleted from this section. Although the machines eliminated most of the manual filing and sorting and has been well worth the expense, it was necessary to hire temporary help in order to staff the office during vacations and to relieve the stress of what proved to be an overly heavy load on the four members of our remaining staff. The Treasurer has requested one additional clerk; the City Manager recommends a temporary clerk for a 6-month period to cover vacations and occasional extra help.

Receipts & Custody Section

This section is responsible for the receipt of all utility and miscellaneous funds due the City; the approval and recording of all checks issued by the City; and management of the investment of available cash.

During 1964, the accounts receivable function of the utility billing section was transferred to and combined with the functions of the delinquent accounts unit. This resulted in an increase of one position in the Treasury Division, a decrease of two positions in the Utility Billing Section, and increased efficiency in the handling of overdue accounts as well as a financial saving to the City.

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

This section is staffed by a Supervisor; 2 Cashiers; 4 Accounts Receivable Clerks; 1 Clerk controlling disbursements and investment accounts and miscellaneous bills; 1 Clerk controlling utility deposits and refunds, and 1 Clerk handling the collection of final utility bills and miscellaneous correspondence.

The Treasurer requested one month vacation replacement for each of the nine positions which must be occupied at all times. The City Manager reduced this request to \$2,000, believing that with the reduction of the tax load, vacation replacements would be available from the Tax & Assessment Section.

The following statistics indicate something of the work load of this section during the first nine months of 1964:

Value of utility bills collected	\$ 7,572,345
Value of final bills collected	205,295
Value of deposits collected	196,015
Value of deposits refunded	208,580
General fund disbursements	22,543,182
Number Friendly Reminders mailed	13,345
Overdue accounts treated	10,900
Final notices mailed	7,781
Number of services denied	415

Collection Enforcement Section

All bills due the City which are still unpaid after at least three requests for payment are referred to the Collection Enforcement Section. The Supervisor of this section also has the responsibility of determining the extent to which credit may be extended to individuals or businesses doing business with the City.

The work of this section is performed under the direction of the Credit and Collection Supervisor by a Collection Manager, Investigator, Clerk-Steno and 2 Clerks. No increase in personnel has been requested.

During 1965 most of the civil process actions will be served by the Investigator in this section. In addition to much faster service, we expect a savings in costs of at least \$3,500.

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

The following statistics have been compiled from January through September 1964 to indicate the activity of this section:

	Delinquent Accounts Referred to Collector		Delinquent Accounts Collected	
	Number	Amount	Number	Amount
Final Utility Bills	1614	\$121,910.66	1157	\$79,062.65
Real & Personal Property Taxes			225	16,533.26
Insufficient Funds Checks			14	1,656.30
Miscellaneous Accounts Receivable	110	23,418.23	85	16,640.06
Uncollectible Recoveries			181	11,546.09
Totals	1724	\$145,328.89	1662	\$125,438.36

Tax & Special Assessment Section

This section is responsible for the collection of all taxes and special assessments levied by the City with the corresponding maintenance of the proper records for each parcel.

In 1965 the Borough will assume the duty of the collection of taxes; however, we are expecting to assume delinquent real taxes in order to be able to publish a combined foreclosure list of both tax and assessment liens in one action.

Although the work in this section will be diminished in the tax collection load, the work in other areas is increasing. The complexity and number of special assessments has greatly increased. Since the Assessor's records will no longer be immediately available, this office will be required to keep their own index of property owners cross-referenced to the legal description. We are, however, reducing this staff from 5 to 4.

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

Contractual Services:

This account has been increased by Data Processing charges. This increase has been partially offset by reductions in other accounts and by the savings which will be affected by the Civil process service by our Investigator. The insurance account has been reduced as the Treasurer's bond was prepaid in 1963 for a 3-year period.

Supplies

The increase in the supplies account has been based on the actual expenditures for 1964.

Other Charges:

Discounts have been reduced by \$1,000. Although assessments will increase, Council has provided that future assessments include interest thereby decreasing the discount expense. Also, discounts in water assessments will be charged directly to the Water Department expense account.

Capital:

This account provides for the purchase of one electric typewriter, two side chairs and one filing cabinet for traffic tickets.

DEPARTMENT Finance	DIVISION Purchasing/Warehouse		ACCOUNT TITLE	ACCOUNT NUMBER 1292	SUMMARY		
CLASSIFICATION	ACTUAL COST 1962	ACTUAL COST 1963	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965
Personal Services	56,547	76,276	69,706	77,006	76,831	76,831	76,831
Contractual	43,039	42,749	15,520	16,945	14,770	13,770	13,770
Supplies	5,517	6,607	6,260	7,410	4,500	4,500	4,500
Other Charge	(229)	(1,133)					
Capital—Equipment	10,741	1,477	700	300	700	700	700
Total	115,615	125,976	92,186	101,661	96,801	95,801	95,801
Less Charges to Others	86,330	129,966	94,186	105,161	96,801	95,801	95,801
Total Operating Budget	29,285	(3,990)	(2,000)	(3,500)	-0-	-0-	-0-
Capital—Public Improvements (See separate Section for Detail)	1,291	3,990	2,000	3,500	-0-	-0-	-0-
Total Budget	30,576	-0-	-0-	-0-	-0-	-0-	-0-

Highlights of Recommended 1965 Program

1. Inventory control - Data Processing
2. Monthly inventory reporting to Utilities
3. Maintain control of obsolete and surplus material
4. Improve inter-department relations
5. Continue effort to reduce cost and improve service

Major Cost Variations

DEPARTMENT FINANCE		DIVISION Purchasing/Warehouse	ACCOUNT TITLE	ACCOUNT NUMBER 1292	DETAIL		
CODE	CLASSIFICATION	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965	MANAGER RECOMMENDS 1965	COUNCIL APPROVED 1965	
	PERSONAL SERVICES						
11	Salaries	68,256	70,556	73,831	73,831	73,831	
12	Overtime	1,450	6,450	3,000	3,000	3,000	
	Total	69,706	77,006	76,831	76,831	76,831	
	CONTRACTUAL						
21	Advertising	400	400	400	400	400	
22	Contracted Services	1,500	3,700	6,600	6,600	6,600	
23	Electricity and Water	3,600	3,600	1,750	1,750	1,750	
24	Insurance and Employee Benefits	1,500	500	1,500	500	500	
25	City Equipment Rental	1,920	1,720	1,920	1,920	1,920	
26	Other Rentals						
27	Repairs	4,000	4,000				
28	Telephone, Telegraph and Tolls	2,400	2,800	2,400	2,400	2,400	
29	Travel, Dues and Publications	200	225	200	200	200	
	Total	15,520	16,945	14,770	13,770	13,770	
	SUPPLIES						
31	Building Materials						
32	Food, Clothing and Medical						
33	Gas, Oil, Grease and Motor Fuels	260	260	250	250	250	
34	Heating Fuel	4,000	4,000	2,500	2,500	2,500	
35	Household and Janitorial	150	150	150	150	150	
36	Office Supplies	550	850	600	600	600	
37	Postage	700	325	300	300	300	
38	Printed Forms	500	1,725	600	600	600	
39	Small Tools	100	100	100	100	100	
	Total	6,260	7,410	4,500	4,500	4,500	
	OTHER CHARGES						
40							
41	Total						
84	CAPITAL—Equipment	700	300	700	700	700	
	Total	92,186	101,661	96,801	95,801	95,801	
	Less Charges to Others	94,186	105,161	96,801	95,801	95,801	
	Total Operating Budget	(2,000)	(3,500)	-0-	-0-	-0-	

DEPARTMENT FINANCE		DIVISION Purchase/Warehouse		ACCOUNT TITLE		ACCOUNT NUMBER 1292		PERSONNEL SCHEDULE		
POSITION TITLE	GRADE	PAY RANGE	ORIGINAL BUDGET 1964	ADJUSTED BUDGET 1964	DEPARTMENT REQUEST 1965		MANAGER RECOMMENDS 1965		COUNCIL APPROVED 1965	
Purchasing Agent	27	925-1081	1	1	1	11,230	1	11,230	1	11,230
Senior Buyer	23	790-925	1	1	1	9,480	1	9,480	1	9,480
(Clerk Steno II)	11	494-577	1	1	1	5,947	1	5,947	1	5,947
Supervisor, Stores and Records	20	702-821	1	1	1	8,746	1	8,746	1	8,746
Head Warehouseman		6.00/hr.	1	1	1	12,255	1	12,255	1	12,255
Asst. Warehouseman		5.53/hr.	1	2	1	11,236	1	11,236	1	11,236
Delivery Man - stock room attendant	12	3.00/hr.	0	0	1	4,000	1	4,000 *	1	4,000
Accounting Clerk I	11	494-577	1	1	1	6,137	1	6,137	1	6,137
Forklift Time						800		800		800
Temporary Asst. Ware- houseman as required			-	-	-	4,000		4,000		4,000
			7	8	8	73,831	8	73,831	8	73,831
*The City Manager notes that this affects a Union position but believes savings to be worthwhile. The charge is justified based on operations.										

DEPARTMENT Finance	DIVISION Purchasing	ACCOUNT TITLE	ACCOUNT NUMBER	WORK PROGRAM
<p>The Purchasing Division is responsible for the purchasing of materials and supplies; warehousing includes the issue and accountability of all such supplies and materials used by all City departments.</p>				
<p>All cost of operation of the Purchasing Division is charged to departments and functions of the City through an overhead charge added to all material. In the past, this charge has been 20% added to the cost of material issued from warehouse stock. On July 1, 1964, this charge was adjusted to 10% for warehouse issue and 5% with a maximum of \$100 on purchase orders where the material is delivered direct to the department. After extensive review, it is felt that the above is a fair and equal way of allocating cost.</p>				
<p>During the year 1963 the Purchasing Division obtained 5.4 million dollars worth of material which included 1.4 million for a turbine and .8 million for telephones. Our net purchases for 1963 were approximately 3.2 million dollars. Warehouse issues for the same period totaled .5 million dollars, showing volume-wise an increase over 1962.</p>				
<p>Estimated 1964 purchases should be approximately 3.5 million dollars with warehouse issue totaling approximately .6 million dollars, an increase over the year 1963.</p>				
<p>As indicated above, the volume of transactions have been increasing each year. During 1965 we should maintain the same volume with one exception--Telephone Utility maintaining their own warehouse, effective October 1964, at their new headquarters building on Seward Highway.</p>				
<p>We propose to cut our warehouse operating cost \$8,000 by the elimination of one Assistant Warehouseman and replacing him with a delivery boy. The Warehouse makes one delivery per week to all City departments. This delivery in most instances requires two days. Therefore we have an effective 1.6 warehousemen available for issuance of material. To maintain any reasonable amount of service two warehousemen are required at all times. A delivery boy would satisfy our minimum requirements.</p>				
<p>The following objectives have been or are well on the way of being accomplished:</p>				
<ol style="list-style-type: none"> 1. Maintain on a current basis, the Purchasing and Warehouse support to all City agencies. 2. Maintain a current control of surplus and obsolete material. 3. Provide a separate section for material storage, both inside warehouse and yard, of surplus and excess material belonging to departments as a service function only. 4. Continue and upgrade reporting inventory status to the various Utility Managers. 5. Continue machine stock record accounting of all materials. 				