1993 General Government Operating Budget

APPENDIX F

EXPLANATION OF TAXING DISTRICT MILL LEVIES

The Municipality of Anchorage operates under a "service area concept" whereby taxpayers in different areas or taxing districts of the Municipality pay property taxes only for those services which they vote to receive within the district. Some services provided by the Municipality must be offered on an "areawide" basis under state law. These include education, planning and zoning, property assessment, and tax collection. Other services require voter approval -- these include road maintenance, police and fire protection and parks and recreation. This "service area concept" gives the taxpayers more control over the types and levels of service for which they are taxed.

The mill levy of a service area is computed in four steps:

1.	Total Direct Costs of Service Area	+	Net Intragovernmental Charges	=	Function Cost of Service Area
2.	Function Cost of Service Area	-	Program Revenues of Service Area	=	Net Program Cost of Service Area
3.	Net Program Cost of Service Area	-	Other Revenues Allocated to Service	=	Tax Requirement of Service Area
4.	Tax Requirement of Service Area	÷	Assessed Value of Service Area	x 1,000 =	Mill Rate (Levy) for Service Area

Each service within the taxing district has its own mill rate. The sum of these service mill rates within a taxing district comprises the mill rate by which taxes are levied. The table below shows how one taxing district mill levy has been computed for 1993. For more detailed definitions of the terms used here, consult the Glossary of Terms in the Budget Overview Section.

CALCULATION OF MULDOON TAXING DISTRICT MILL LEVY

Service Area (Services Approved by Muldoon Taxing District Voters)	Function Cost of Service Area	Program Revenues of Service Area	Other Revenues Allocated to Service Area	Tax Requirement of Service Area	Estimated Assessed Valuation of Service Area ($000's)	Approved Mill Levy of Service Area
Areawide	$68,502,770	$10,443,250	$33,568,510	$24,491,010	$10,336,214	2.37
Fire	24,061,390	242,250	6,088,850	17,730,290	9,731,541	1.82
Road	35,122,610	2,191,100	8,397,030	24,534,480	8,277,127	2.97
Police	44,089,340	2,004,510	9,694,880	32,389,950	8,439,627	3.84
Parks & Recreation	11,473,450	2,067,860	2,563,680	6,841,910	9,036,261	0.76
Road Debt Service	2,541,650	148,000	425,590	1,968,060	4,211,535	0.47
Building Safety	2,706,990	2,624,810	8,620	73,560	9,036,149	0.01
			Total Mill Levy - General Government			12.24
			Total Mill Levy - School District			6.59
			Total Levy for Muldoon Residents			18.83

NOTE: The 1993 Assessed Valuations in this appendix are based on preliminary estimates which may change prior to April 1993 when the actual 1993 mill rates will be approved by the Assembly.