

1997 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 Intra- governmental 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 Area	=	Tax Requirement of Service Area
4.	Tax Requirement of Service Area	/	Assessed Value of Service Area x 1000	=	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 1997. 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
(Excluding Anchorage School 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)	Preliminary Mill Levy of Service Area
Areawide	\$ 74,720,400	\$ 12,798,960	\$ 35,809,220	\$ 26,112,220	\$ 12,299,908	2.12
Fire	25,484,050	314,500	4,560,120	20,609,430	11,518,761	1.79
Roads	44,881,360	1,774,160	9,063,840	34,043,360	9,803,672	3.47
Police	52,113,880	2,484,700	13,194,860	36,434,320	12,102,877	3.01
Parks and Rec	12,140,580	2,123,720	1,892,630	8,124,230	10,654,178	0.76
Road Debt Service	240,190	58,790	71,470	109,930	4,944,455	0.02
Building Safety	3,138,310	3,032,160	1,960	104,190	10,654,178	0.01
Total Mill Levy for Muldoon Residents						11.18 *

NOTE: the 1997 Assessed Valuations in this appendix are based on preliminary estimates which may change prior to April 1997 when the actual 1997 mill rates will be approved by the Assembly