

Appendix M

Chugiak, Birchwood, Eagle River Rural Road Service Area (Fund 119)

The Municipality's Charter requires that local government operate under a service area concept, which means that residents of particular areas vote to levy taxes for service(s) from the Municipality.

Chugiak, Birchwood, Eagle River Rural Road Service Area (CBERRRSA) was established for capital improvements for roads and drainage and the maintenance thereof within and over road rights-of-way in the service area including street light capital improvements and street light operation and maintenance at special sites outside the Eagle River Street Light Service Area which enhance public safety, but excluding capital improvements for and maintenance and operation of: 1) traffic engineering; 2) park and recreational services; 3) water, sewer, telephone, electric, gas and other utility improvements and services; 4) off-road mass transit facilities and signs; and 5) fire hydrants and parking meters within the service area. The service area also shall be authorized to operate and maintain street lights at special sites outside of the Eagle River Street Light Service Area for purposes of enhancing public safety.

The maximum attainable mill rate for services provided in the service area shall not exceed 2.10 mills in any calendar year. No more than 1.1 mills shall be for road and drainage maintenance and no more than 1.0 mill shall be for capital improvements (AMC 27.30.215). The service area is included in Municipal Tax Districts 10, 22, 30, 50 and 51.

The net cost total on the fund summary presented on the following page represents the tax cost for the CBERRRSA, based on the 2012 Approved budget.

The actual 2012 taxes to be collected will be based on the 2012 Revised budget that will be presented to the Assembly for approval in April.

The 2012 mill rate will be calculated based on the taxes to be collected (approved 2012 Revised budget net cost), divided by the assessed valuation of the service area, then multiplied by 1,000.

$$\frac{\text{Taxes to be Collected in SA}}{\text{Service Area Assessed Value}} \times 1,000 = \text{Mill Rate}$$

The preliminary 2012 mill rate, based on the 2012 Approved budget and the service area assessed value at 08/26/2011, would be calculated as follows:

$$\frac{\$ 6,795,431}{\$ 3,225,171,324} \times 1,000 = 2.11$$

The actual 2012 mill rate will be based on the 2012 Revised budget with updated/revised IGCs and will be recalculated with updated assessed values to not exceed 2.10 mills.

Fund 119 Summary
Chugiak, Birchwood, Eagle River Rural Road Service Area
 (Dept ID # 7449, 7473)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Operations of CBERRRSA (7449) - Department: Public Works	3,155,244	3,423,768	3,430,807	0.21%
ER Contribution to CIP (7473) - Department: Public Works	3,316,948	3,316,948	3,316,948	-
Direct Cost Total	6,472,192	6,740,716	6,747,755	0.10%
Intragovernmental Charges				
Charges by Other Departments	243,575	97,951	87,236	-10.94%
Charges to Other Departments	(22,500)	(22,500)	(22,500)	-
Function Cost Total	6,693,267	6,816,167	6,812,491	-0.05%
Program Generated Revenue	(56,867)	(17,060)	(17,060)	-
Net Cost Total	6,636,401	6,799,107	6,795,431	-0.05%

Direct Cost by Category				
Personnel	486,928	499,252	506,291	1.41%
Supplies	190,819	169,940	169,940	-
Travel	-	-	-	-
Contractual/Other Services	5,789,402	6,065,524	6,065,524	-
Debt Service/Depreciation	-	-	-	-
Equipment, Furnishings	5,043	6,000	6,000	-
Direct Cost Total	6,472,192	6,740,716	6,747,755	0.10%

Position Summary as Budgeted

Full-Time	3	3	4	33.33%
Part-Time	1	1	-	-100.00%
Position Total	4	4	4	-

Operations of Chugiak, Birchwood, Eagle River RRSA

Department: Public Works

Division: Other Service Areas

(Dept ID # 7449)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Salaries and Benefits				
1101 - Straight Time Labor	265,831	260,394	267,616	2.77%
1201 - Overtime	25,644	43,000	43,000	-
1301 - Leave/Holiday Accruals	42,653	17,420	6,070	-65.15%
1401 - Benefits	152,658	153,578	164,745	7.27%
1501 - Allow Differentials/Premiums	142	24,860	24,860	-
Salaries and Benefits Total	486,928	499,252	506,291	-55.11%
Supplies	190,819	169,940	169,940	-
Travel	-	-	-	-
Contractual/Other Services	2,472,454	2,748,576	2,748,576	-
Equipment, Furnishings	5,043	6,000	6,000	-
Manageable Direct Cost Total	3,155,244	3,423,768	3,430,807	0.21%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	3,155,244	3,423,768	3,430,807	0.21%
Intragovernmental Charges				
Charges by Other Departments	216,874	97,951	87,236	-10.94%
Charges to Other Departments	(22,500)	(22,500)	(22,500)	-
Program Generated Revenue				
9499 - Reimbursed Cost	(33,549)	(15,460)	(15,460)	-
9672 - Prior Yr Expense Recovery	(23,318)	-	-	-
9798 - Miscellaneous Revenues	-	(1,600)	(1,600)	-
Program Generated Revenue Total	(56,867)	(17,060)	(17,060)	-
Net Cost				
Manageable Direct Cost	3,155,244	3,423,768	3,430,807	0.21%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	216,874	97,951	87,236	-10.94%
Charges to Other Departments	(22,500)	(22,500)	(22,500)	-
Program Generated Revenue Total	(56,867)	(17,060)	(17,060)	-
Net Cost Total	3,292,751	3,482,159	3,478,483	-0.11%

Eagle River Contribution to CIP
Department: Public Works
Division: Other Service Areas
 (Dept ID # 7473)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Travel	-	-	-	-
Contractual/Other Services	3,316,948	3,316,948	3,316,948	-
Manageable Direct Cost Total	3,316,948	3,316,948	3,316,948	-
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	3,316,948	3,316,948	3,316,948	-
Intragovernmental Charges				
Charges by Other Departments	26,702	-	-	-
Net Cost				
Manageable Direct Cost	3,316,948	3,316,948	3,316,948	-
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	26,702	-	-	-
Net Cost Total	3,343,650	3,316,948	3,316,948	-