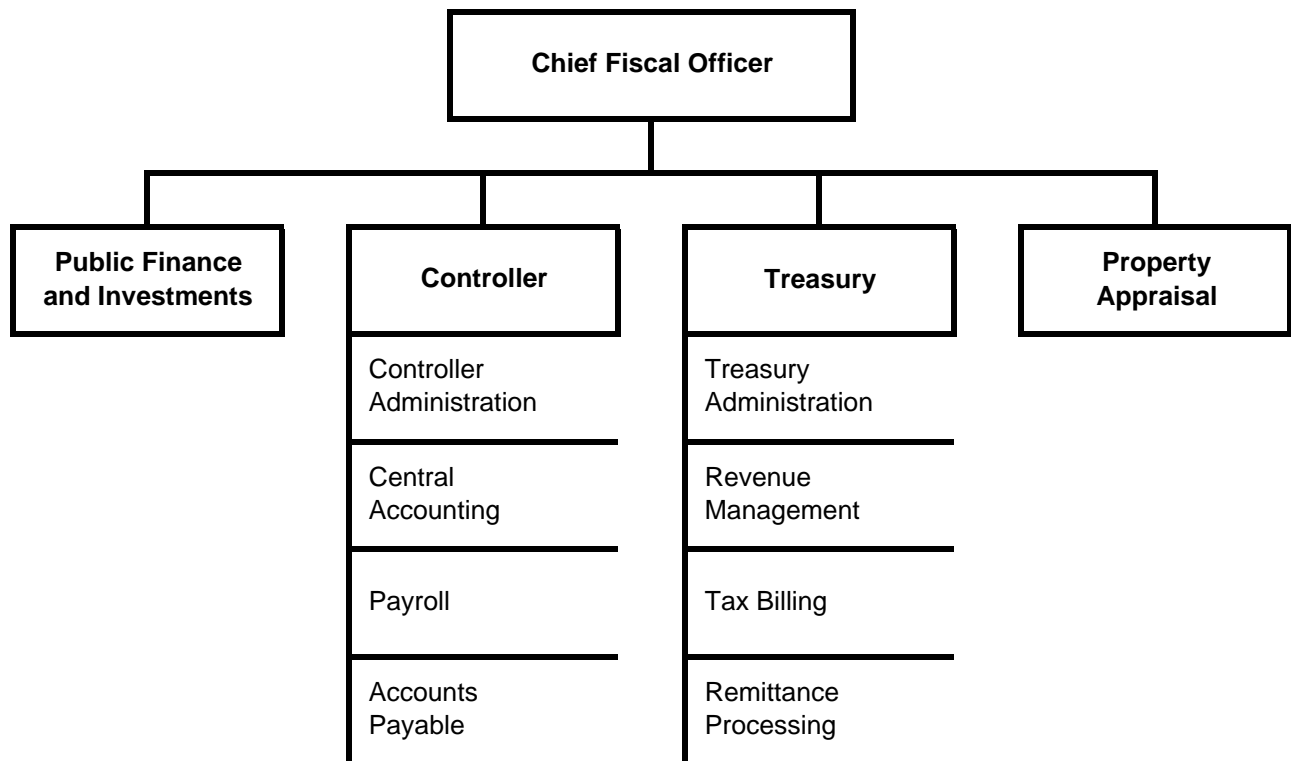


Finance



Finance

Description

The Finance Department's mission is to support public services through prudent and proactive financial services.

- Generate and collect revenues to fund municipal operations
- Maintain the highest possible bond rating
- Deliver monthly, quarterly, and annual financial results of operations
- Process, record, and analyze financial data
- Improve access to Municipal records and information
- Mitigate risk of financial loss
- Safeguard Municipal financial and fixed assets

Department Services/Divisions

- Controller Division is responsible for all municipal accounting functions. This includes fund accounting, grant accounting, capital project accounting, reconciliation, payroll, accounts payable, fixed asset and the compilation of the Comprehensive Annual Financial Report (CAFR).
- Property Appraisal Division estimates the value of property in order to provide a basis for taxation. The division works closely with the Treasury, which is responsible for the creation and collection of tax bills.
- The Public Finance & Investment Division is responsible for issuing and managing municipal bonds, investments and cash.
- The Treasury Division is responsible for billing, collecting and auditing major municipal revenue sources. Tax revenues provide primary funding for city services such as: public safety, education, roads and transportation, health & human services and cultural & recreational services. Additional Treasury Division responsibilities include cash receipt processing and remittance processing services.

Finance Department Summary

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Division				
Controller	2,662,600	3,056,197	3,037,758	<0.60%>
Property Appraisal	4,581,882	4,607,281	4,686,635	1.72%
Public Finance & Investment	1,355,884	1,405,378	1,516,003	7.87%
Treasury	2,971,198	2,994,876	2,886,991	<3.60%>
Direct Cost Total	11,571,564	12,063,732	12,127,387	0.53%
Intragovernmental Charges				
Charges by Other Departments	2,027,340	2,483,850	2,307,492	<7.10%>
Charges to Other Departments	(4,344,257)	(5,055,800)	(4,943,381)	<2.22%>
Function Cost Total	9,254,647	9,491,782	9,491,498	-
Program Generated Revenue	(2,347,132)	(2,443,854)	(2,550,952)	4.38%
Net Cost Total	6,907,515	7,047,928	6,940,546	<1.52%>
Direct Cost by Category				
Personnel	9,598,590	10,136,817	10,266,126	1.28%
Supplies	87,760	65,985	61,360	<7.01%>
Travel	691	15,100	-	-
Contractual/OtherServices	1,820,690	1,446,576	1,400,047	<3.22%>
Debt Service/Depreciation	38,543	377,754	377,754	-
Equipment, Furnishings	25,290	21,500	22,100	2.79%
Direct Cost Total	11,571,564	12,063,732	12,127,387	0.53%
Position Summary as Budgeted				
Full-Time	102	84	84	
Part-Time	-	16	15	
Position Total	102	100	99	

Finance

Reconciliation from 2011 Revised Budget to 2012 Approved Budget

	Direct Costs	Positions		
		FT	PT	T
2011 Revised Budget	12,063,732	84	16	-
2011 One-Time Requirements				
- Delete 2011 one-time increase to Controller Division for new ERP system configuration delay, audit preparation and CAFR completion	(131,743)	-	-	-
Transfers (to)/from Other Agencies				
- None	-	-	-	-
Debt Service Changes				
- None	-	-	-	-
Changes in Existing Programs/Funding for 2011				
- Salary and benefits adjustments	658,198	-	-	-
- Controller Division - Addition of Payroll position to support Kronos implementation	117,083	1	-	-
- Controller Division - Delete Capital Accounting Supervisor position; no impact to services as workload will be allocated to three other positions	(103,468)	-	(1)	-
2012 Continuation Level	12,603,802	85	15	-
2012 One-Time Requirements				
- None	-	-	-	-
Transfers (to)/from Other Agencies				
- None	-	-	-	-
2012 Proposed Budget Changes				
- Leave cash-out adjustment	(303,127)	-	-	-
- Assessor - Non-labor savings based on analysis of average spend in prior years (no impact on services)	(23,265)	-	-	-
- Controller Division - Reduce Professional Fees for road survey that will not be due until 2014 (no impact on services)	(62,000)	-	-	-
- Treasury - Charge 25% of labor cost for position that will work on ERP implementation to project	(30,820)	-	-	-
- Treasury - Non-labor savings	(55,935)	-	-	-
- Treasury - Delete Treasury Clerk position supporting program taxes	(76,814)	(1)	-	-
- Public Finance - Reduce Dues and Subscriptions	(1,500)	-	-	-
- Public Finance - Increase contractual services due to Municipal Cash Pool portfolio growth with corresponding increases in revenues	77,046	-	-	-
2012 S Revisions/Assembly Amendments/Mayor Vetoes				
- None	-	-	-	-
2012 Approved Budget	12,127,387	84	15	-

Finance

Division Summary

Controller

(Dept ID # 1321, 1322, 1323, 1324)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Category				
Salaries and Benefits	2,604,162	2,843,947	2,887,508	1.53%
Supplies	12,636	14,700	13,200	<10.20%>
Travel	-	-	-	
Contractual/Other Services	36,559	183,550	123,050	<32.96%>
Equipment, Furnishings	9,243	14,000	14,000	-
Manageable Direct Cost Total	2,662,600	3,056,197	3,037,758	<0.60%>
Debt Service, Depreciation	-	-	-	
Direct Cost Total	2,662,600	3,056,197	3,037,758	<0.60%>
Revenue by Fund				
Fund 101 - Areawide General	18,265	13,600	13,600	-
Revenue Total	18,265	13,600	13,600	-

Positions as Budgeted

	2010 Revised		2011 Revised		2012 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk II	1	-	1	-	1	-
Accounting Clerk IV	2	-	1	-	1	-
Administrative Officer	2	-	2	-	2	-
Controller	1	-	-	1	-	1
Finance Management Asst	1	-	-	1	-	1
Junior Accountant	1	-	1	-	1	-
Junior Admin Officer	2	-	2	-	2	-
Junior/Senior Accountant	1	-	-	-	-	-
Principal Accountant	4	-	-	4	1	3
Principal Admin Officer	1	-	-	1	-	1
Senior Accountant	3	-	4	-	4	-
Senior Staff Accountant	8	-	7	1	7	1
Positions as Budgeted Total	27	-	18	8	19	7

Finance
Division Detail
Controller

(Dept ID # 1321, 1322, 1323, 1324)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Category				
Salaries and Benefits				
1101 - Straight Time Labor	1,481,044	1,775,804	1,830,884	3.10%
1201 - Overtime	64,062	129,960	85,000	<34.60%>
1301 - Leave/Holiday Accruals	167,159	112,995	40,232	<64.40%>
1401 - Benefits	891,897	969,639	1,075,843	10.95%
1601 - Vacancy Factor	-	(144,451)	(144,451)	-
Salaries and Benefits Total	2,604,162	2,843,947	2,887,508	1.53%
Supplies	12,636	14,700	13,200	<10.20%>
Travel	-	-	-	-
Contractual/Other Services	36,559	183,550	123,050	<32.96%>
Equipment, Furnishings	9,243	14,000	14,000	-
Manageable Direct Cost Total	2,662,600	3,056,197	3,037,758	<0.60%>
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	2,662,600	3,056,197	3,037,758	<0.60%>
Intra-Governmental Charges				
Charges by Other Departments	400,030	512,089	411,461	<19.65%>
Charges To Other Departments	(3,044,365)	(3,532,009)	(3,435,619)	<2.73%>
Program Generated Revenue				
9497 - Computer Time Fees	1,585	1,000	1,000	-
9499 - Reimbursed Cost	16,046	12,600	12,600	-
9672 - Prior Yr Expense Recovery	600	-	-	-
9765 - Other Interest Income	34	-	-	-
Program Generated Revenue Total	18,265	13,600	13,600	-
Net Cost				
Manageable Direct Cost	2,662,600	3,056,197	3,037,758	<0.60%>
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	400,030	512,089	411,461	<19.65%>
Charges To Other Departments	(3,044,365)	(3,532,009)	(3,435,619)	<2.73%>
Program Generated Revenue	(18,265)	(13,600)	(13,600)	-
Net Cost Total	-	22,677	-	<100.00%>

Finance
Division Summary
Property Appraisal
 (Dept ID # 1351)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Category				
Salaries and Benefits	4,038,294	4,023,170	4,125,789	2.55%
Supplies	52,418	27,160	27,160	-
Travel	479	13,000	-	
Contractual/Other Services	488,902	204,741	194,476	<5.01%>
Equipment, Furnishings	1,790	-	-	
Manageable Direct Cost Total	4,581,882	4,268,071	4,347,425	1.86%
Debt Service, Depreciation	-	339,210	339,210	-
Direct Cost Total	4,581,882	4,607,281	4,686,635	1.72%
Revenue by Fund				
Fund 101 - Areawide General	12,944	7,780	7,780	-
Revenue Total	12,944	7,780	7,780	-

Positions as Budgeted

	2010 Revised		2011 Revised		2012 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk III	4	-	4	-	4	-
Appraisal Analyst	12	-	12	-	12	-
Appraisal Supervisor	3	-	-	2	-	2
Appraisal Technician	1	-	1	-	1	-
Appraiser	5	-	5	-	5	-
Municipal Assessor	1	-	-	1	-	1
Property Appraisal Admin	1	-	-	1	-	1
Senior Admin Officer	1	-	-	1	-	1
Senior Appraiser	12	-	12	-	12	-
Senior Office Assistant	1	-	1	-	1	-
Special Admin Assistant II	1	-	-	1	-	1
Positions as Budgeted Total	42	-	35	6	35	6

Finance
Division Detail
Property Appraisal
 (Dept ID # 1351)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Category				
Salaries and Benefits				
1101 - Straight Time Labor	2,291,353	2,596,177	2,692,796	3.72%
1201 - Overtime	2,831	-	-	-
1301 - Leave/Holiday Accruals	314,846	173,684	62,419	<64.06%>
1401 - Benefits	1,429,162	1,519,238	1,636,504	7.72%
1501 - Allow Differentials/Premiums	101	-	-	-
1601 - Vacancy Factor	-	(265,929)	(265,929)	-
Salaries and Benefits Total	4,038,294	4,023,170	4,125,789	2.55%
Supplies	52,418	27,160	27,160	-
Travel	479	13,000	-	-
Contractual/Other Services	488,902	204,741	194,476	<5.01%>
Equipment, Furnishings	1,790	-	-	-
Manageable Direct Cost Total	4,581,882	4,268,071	4,347,425	1.86%
Debt Service, Depreciation	-	339,210	339,210	-
Direct Cost Total	4,581,882	4,607,281	4,686,635	1.72%
Intra-Governmental Charges				
Charges By Other Departments	988,200	1,309,960	1,215,064	<7.24%>
Program Generated Revenue				
9418 - Appraisal Appeal Fee	7,730	5,000	5,000	-
9493 - Micro-Fiche Fees	3,830	2,000	2,000	-
9494 - Copier Fees	222	680	680	-
9497 - Computer Time Fees	299	100	100	-
9499 - Reimbursed Cost	863	-	-	-
Program Generated Revenue Total	12,944	7,780	7,780	-
Net Cost				
Manageable Direct Cost	4,581,882	4,268,071	4,347,425	1.86%
Debt Service, Depreciation	-	339,210	339,210	-
Charges By Other Departments	988,200	1,309,960	1,215,064	<7.24%>
Program Generated Revenue	(12,944)	(7,780)	(7,780)	-
Net Cost Total	5,557,138	5,909,461	5,893,919	<0.26%>

Finance
Division Summary
Public Finance & Investment
 (Dept ID # 1313)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Category				
Salaries and Benefits	509,902	567,393	602,472	6.18%
Supplies	2,086	2,100	2,100	-
Travel	-	-	-	
Contractual/Other Services	843,895	833,885	909,431	9.06%
Equipment, Furnishings	-	2,000	2,000	-
Manageable Direct Cost Total	1,355,884	1,405,378	1,516,003	7.87%
Debt Service, Depreciation	-	-	-	
Direct Cost Total	1,355,884	1,405,378	1,516,003	7.87%
Revenue by Fund				
Fund 191 - Public Finance and Investment	1,649,549	1,623,520	1,730,618	6.60%
Revenue Total	1,649,549	1,623,520	1,730,618	6.60%

Positions as Budgeted

	2010 Revised		2011 Revised		2012 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Officer	1	-	1	-	1	-
Principal Accountant	1	-	1	-	1	-
Principal Admin Officer	2	-	2	-	2	-
Positions as Budgeted Total	4	-	4	-	4	-

Finance
Division Detail
Public Finance & Investment
 (Dept ID # 1313)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Category				
Salaries and Benefits				
1101 - Straight Time Labor	309,624	360,000	393,368	9.27%
1301 - Leave/Holiday Accruals	33,024	24,084	6,822	<71.67%>
1401 - Benefits	167,254	183,310	202,282	10.35%
Salaries and Benefits Total	509,902	567,393	602,472	6.18%
Supplies	2,086	2,100	2,100	-
Travel	-	-	-	-
Contractual/Other Services	843,895	833,885	909,431	9.06%
Equipment, Furnishings	-	2,000	2,000	-
Manageable Direct Cost Total	1,355,884	1,405,378	1,516,003	7.87%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	1,355,884	1,405,378	1,516,003	7.87%
Intra-Governmental Charges				
Charges by Other Departments	163,935	64,370	80,237	24.65%
Program Generated Revenue				
9492 - Service Fees-School Dist	245,216	239,160	294,000	22.93%
9499 - Reimbursed Cost	203,477	261,000	259,118	<0.72%>
9672 - Prior Yr Expense Recovery	2,144	-	-	-
9761 - Cash Pools Short-Term Int	12,349	16,520	27,500	66.46%
9762 - Other Short Term Interest	51,810	45,000	36,000	<20.00%>
9767 - Unrealized Gains & Losses	3,688	-	-	-
9798 - Miscellaneous Revenues	1,130,866	1,061,840	1,114,000	4.91%
Program Generated Revenue Total	1,649,549	1,623,520	1,730,618	6.60%
Net Cost				
Manageable Direct Cost	1,355,884	1,405,378	1,516,003	7.87%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	163,935	64,370	80,237	24.65%
Program Generated Revenue	(1,649,549)	(1,623,520)	(1,730,618)	6.60%
Net Cost Total	(129,731)	(153,772)	(134,378)	<12.61%>

Finance Division Summary

Treasury

(Dept ID # 1341, 1342, 1346, 1347)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Category				
Salaries and Benefits	2,446,232	2,702,307	2,650,357	<1.92%>
Supplies	20,620	22,025	18,900	<14.19%>
Travel	212	2,100	-	
Contractual/Other Services	451,334	224,400	173,090	<22.87%>
Equipment, Furnishings	14,256	5,500	6,100	10.91%
Manageable Direct Cost Total	2,932,655	2,956,332	2,848,447	<3.65%>
Debt Service, Depreciation	38,543	38,544	38,544	-
Direct Cost Total	2,971,198	2,994,876	2,886,991	<3.60%>
Revenue by Fund				
Fund 101 - Areawide General	666,374	798,954	798,954	-
Revenue Total	666,374	798,954	798,954	-

Positions as Budgeted

	2010 Revised		2011 Revised		2012 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk II	3	-	3	-	2	-
Accounting Clerk III	7	-	7	-	7	-
Administrative Officer	2	-	2	-	2	-
Collector	4	-	4	-	4	-
Junior Admin Officer	1	-	1	-	1	-
Municipal Treasurer	1	-	1	-	1	-
Principal Admin Officer	1	-	1	-	1	-
Remittance Processing Operator	2	-	2	-	2	-
Senior Admin Officer	3	-	2	1	2	1
Senior Staff Accountant	1	-	-	1	-	1
Tax Enforcement Assistant	2	-	2	-	2	-
Tax Enforcement Officer	2	-	2	-	2	-
Positions as Budgeted Total	29	-	27	2	26	2

Finance
Division Detail
Treasury

(Dept ID # 1341, 1342, 1346, 1347)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Category				
Salaries and Benefits				
1101 - Straight Time Labor	1,331,317	1,608,125	1,596,128	<0.75%>
1201 - Overtime	3,299	-	-	-
1301 - Leave/Holiday Accruals	203,433	107,584	32,961	<69.36%>
1401 - Benefits	907,918	1,025,198	1,059,868	3.38%
1501 - Allow Differentials/Premiums	266	-	-	-
1601 - Vacancy Factor	-	(38,600)	(38,600)	-
Salaries and Benefits Total	2,446,232	2,702,307	2,650,357	<1.92%>
Supplies	20,620	22,025	18,900	<14.19%>
Travel	212	2,100	-	-
Contractual/Other Services	451,334	224,400	173,090	<22.87%>
Equipment, Furnishings	14,256	5,500	6,100	10.91%
Manageable Direct Cost Total	2,932,655	2,956,332	2,848,447	<3.65%>
Debt Service, Depreciation	38,543	38,544	38,544	-
Direct Cost Total	2,971,198	2,994,876	2,886,991	<3.60%>
Intra-Governmental Charges				
Charges by Other Departments	475,176	597,431	600,731	0.55%
Charges To Other Departments	(1,299,892)	(1,523,791)	(1,507,762)	<1.05%>
Program Generated Revenue				
9004 - Tax Cost Recoveries	1,366	100	100	-
9008 - Collection Service Fees	236,447	-	-	-
9199 - Miscellaneous Permits	1,350	2,500	2,500	-
9499 - Reimbursed Cost	260,703	786,354	786,354	-
9513 - Other Collection Revenues	11,158	-	-	-
9536 - Late Fees	5,607	10,000	10,000	-
9601 - Contributions Other Funds	150,000	-	-	-
9791 - Cash Over & Short	(366)	-	-	-
9798 - Miscellaneous Revenues	108	-	-	-
Program Generated Revenue Total	666,374	798,954	798,954	-
Net Cost				
Manageable Direct Cost	2,932,655	2,956,332	2,848,447	<3.65%>
Debt Service, Depreciation	38,543	38,544	38,544	-
Charges by Other Departments	475,176	597,431	600,731	0.55%
Charges To Other Departments	(1,299,892)	(1,523,791)	(1,507,762)	<1.05%>
Program Generated Revenue	(666,374)	(798,954)	(798,954)	-
Net Cost Total	1,480,108	1,269,562	1,181,006	<6.98%>

Anchorage: Performance. Value. Results

Controller Division Finance Department

Anchorage: Performance. Value. Results.

Mission

Provide accurate and timely financial information.

Core Services

- Prepare Comprehensive Annual Financial Report.
- Close monthly financial cycle
- Reconcile accounts on a monthly basis and maintain system of internal controls.
- Process payroll
- Process payment to vendors

Accomplishment Goals

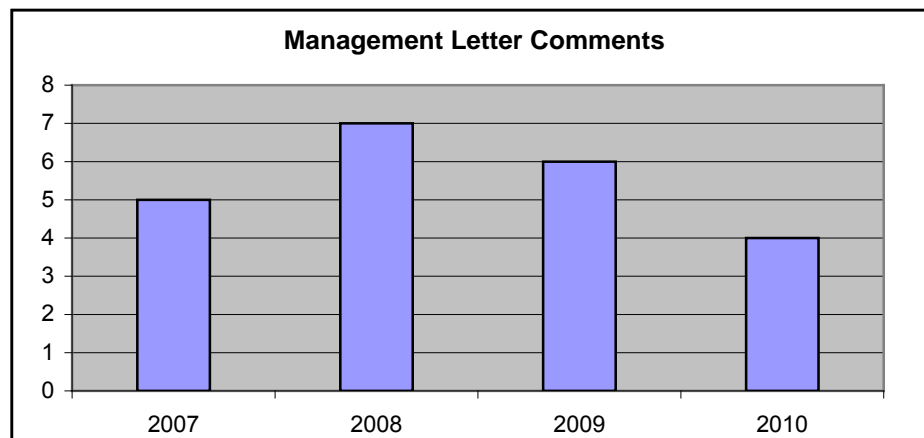
- Report fairly, without material misstatement, the financial results of the Municipality of Anchorage on an annual basis.
- Maintain a system of internal controls such that transactions are accurately recorded on a timely basis to reduce the risk of fraud and error.
- Record transactions accurately and timely.
- Pay employees and vendors accurately and timely.

Performance Measures

Progress in achieving goals shall be measured by:

Measure #1: Reduce number of external audit comments.

For Audit Yr:	2007	2008	2009	2010
# Management Letter Points in Annual Audit Management Letter	5	7	6	4

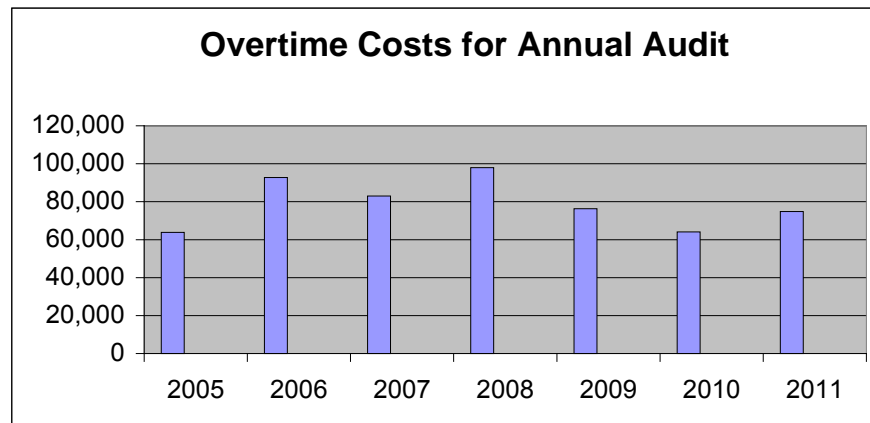


Measure #2: Ensure audit comments from internal and external auditors are addressed within 90 days of receipt of comment.

2011 – All comments have been resolved in first three quarters of the year.

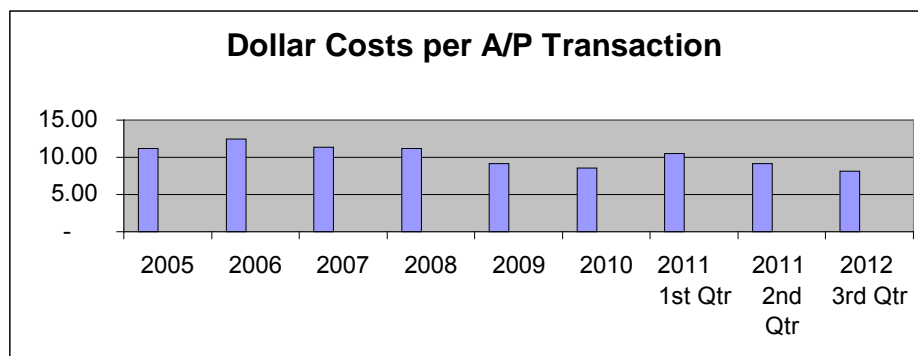
Measure #3: Reduce overtime costs associated with annual audit.

	2005	2006	2007	2008	2009	2010	2011
Overtime Cost:	\$63,829	\$92,759	\$82,965	\$97,919	\$76,289	\$64,062	\$74,792



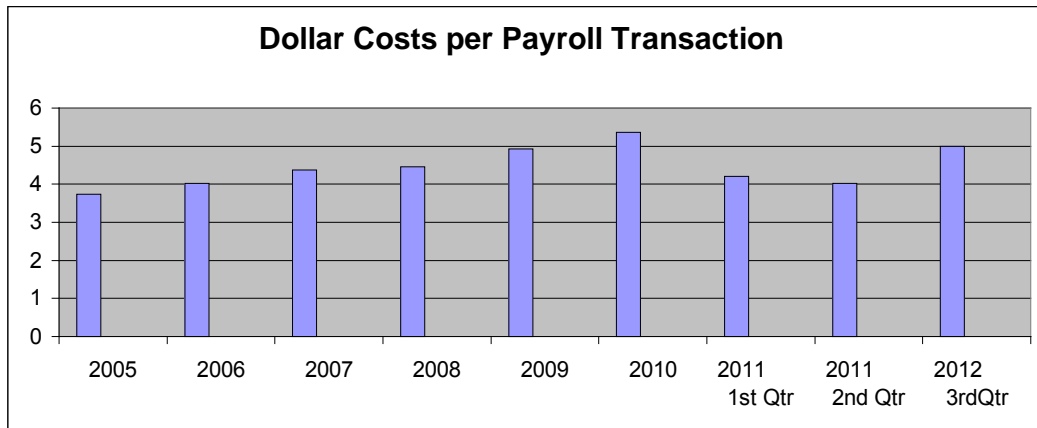
Measure #4: Cost to produce vendor checks.

Accounts Payable Division	2005	2006	2007	2008	2009	2010	2011 1 st Qtr	2011 2 nd Qtr	2011 3 rd Qtr
\$ cost per transaction	\$11.18	\$12.46	\$11.32	\$11.16	\$9.14	\$8.58	\$10.55	\$9.16	\$8.15
# invoices processed for departments	30,433	30,405	32,201	34,828	37,446	35,681	7,738	7,736	8,663



Measure #5: Cost to produce payroll checks.

Payroll Division	2005	2006	2007	2008	2009	2010	2011 1 st Qtr	2011 2 nd Qtr	2011 3 rd Qtr
Cost per payroll payment (annual, automated,	\$3.74	\$4.03	\$4.37	\$4.46	\$4.92	\$5.36	\$4.20	\$4.02	\$4.99
Number payrolls not met	0	0	0	0	0	0	0	0	0
Number payroll payments / year	78,646	79,311	81,456	84,285	83,040	75,912	19,417	17,630	20,030



Performance Measure Methodology Sheet
Controller Division

Measure 1 & 3: Reduce number of audit comments and overtime costs associated with the annual audit.

Type

Efficiency

Accomplishment Goal Supported

Reduce the costs associated with putting together the Comprehensive Annual Report in both overtime and audit fees.

Definition

Measure the efficiency of the annual audit by focusing on the number of comments received by the auditors in the annual Management Letter.

Data Collection Method

Count number of comments in the annual management letter

Frequency

Annually

Measured By

The controller will maintain an annual list of comments in an Excel spreadsheet.

Reporting

The controller will maintain an annual report

Used By

The report will be used by the controller's department and CFO to gain a clearer idea of costs associated with annual reporting requirements.

Performance Measure Methodology Sheet
Controller Division

Measure 2: Ensure audit comments from internal and external auditors are addressed within 90 days of receipt of comment.

Type

Efficiency

Accomplishment Goal Supported

Maintain the integrity of the systems of internal controls that have been established for the Municipality Of Anchorage.

Definition

Measure the ability of the Municipal departments to react and correct deficiencies noted in both internal and external audits.

Data Collection Method

Perform follow-up procedures to determine if comments provided for improvement by the auditors have been followed.

Frequency

Quarterly

Measured By

The controller will maintain documents to support department's response to audit reports.

Reporting

The controller will maintain a quarterly report

Used By

The report will be used by the controller's department and CFO to ensure that departments react appropriately to audit comments and follow established policies and procedures.

Performance Measure Methodology Sheet
Controller Division

Measure 4: Costs to produce vendor checks.

Type

Efficiency

Accomplishment Goal Supported

Reduce the costs associated with paying vendors and eliminate reissuing new vendor checks due to errors in processing.

Definition

Measure the efficiency of the accounts payable process by focusing on costs associated with producing vendor checks.

Data Collection Method

The calculation is performed by dividing the total costs of the central accounts payable department by the number of checks produced on a monthly basis and counting the number of checks reissued due to error.

Frequency

The measurement will be performed at the beginning of each quarter.

Measured By

The Accounts Payable Supervisor will maintain an excel spreadsheet with information pulled from Peoplesoft and maintain an accurate count of reissued checks.

Reporting

The controller will maintain a quarterly and annual report of costs to produce checks and reissued checks.

Used By

The accounts payable supervisor, controller and CFO will use the data to gain an understanding of the costs associated with managing a centralized accounts payable department.

Performance Measure Methodology Sheet
Controller Division

Measure 5: Cost to produce payroll checks.

Type

Efficiency

Accomplishment Goal Supported

Reduce the costs associated with making payroll payments (direct deposit and checks) to employees and eliminate processing errors.

Definition

Measure the efficiency of the payroll process by focusing on costs associated with paying employees.

Data Collection Method

The calculation is performed by dividing the total costs of the central payroll department by the number of biweekly payments made to employees and maintaining an accurate count of corrections made to employee's pay advice.

Frequency

The measurement will be performed at the beginning of each quarter.

Measured By

The Payable Supervisor will maintain an excel spreadsheet with information pulled from Peoplesoft and maintain an accurate count of processing errors.

Reporting

The controller will maintain a quarterly and annual report of costs to produce payroll advices and corrections to employee's pay advice.

Used By

The payroll supervisor, controller and CFO will use the data to gain an understanding of the costs associated with managing a centralized payroll department.

Property Appraisal Division
Finance Department
Anchorage: Performance. Value. Results.

Mission

Provide a fair and equitable basis for taxation in the Municipality of Anchorage in conformance with State law and professional standards.

Core Services

- **Valuation** - Annually assess all real and personal property in the Municipality of Anchorage.
- **Appeal Response** - Timely response to all appeals of property assessments.
- **Data Collection** - Ensure that all real and personal property descriptions, ownership records and taxability status are accurate.
- **Public Education** - Provide taxpayer and community education on issues related to assessment practices.

Accomplishment Goals

- Timely Annual Assessment of all taxable property.
- Completion of annual assessment appeals.
- Improve Property Appraisal assessment functions to ensure accurate data collection for property records.
- Advance public education about assessment issues.

Performance Measures

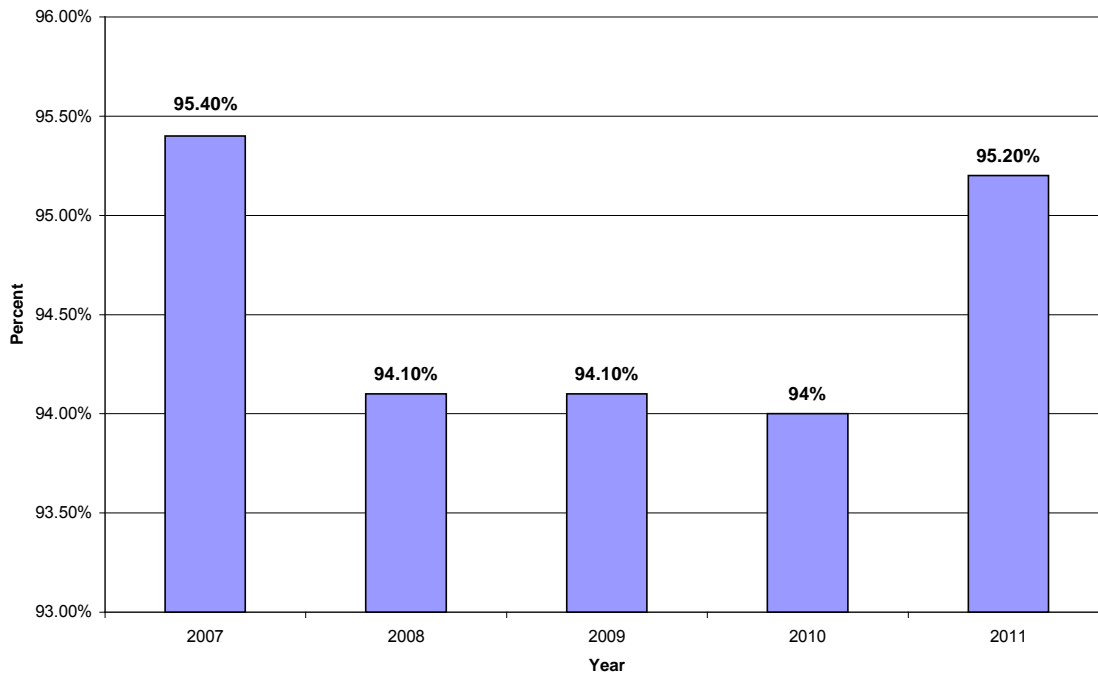
Progress in achieving goals shall be measured by:

Measure #1: Valuation - Meeting or exceeding State Assessor benchmark standards for valuation and inspection of property.

Sales Ratio (Assessed Value/ Sales Price – Benchmark Standard over 90%)

2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual
95.4%	94.1%	94.1%	94%	95.2%

Sales Ratio for Property Appraisal

**Measure #2: Number of properties inspected per year**

	Total number of parcels in MOA	Required number of parcels to inspect	Total Inspected	Percentage of total required inspections completed
2007	94,474	15,755	8,550	54% of target
2008	95,650	15,883	9,866	62% of target
2009	95,878	15,968	16,277	102% of target
2010	95,903	15,983	18,909	118% of target
2011 (As of 11/4/11)	96,073	16,012	15,571	97.24% of target

Measure #3: Appeal Response – Substantive completion of annual property assessment appeals process by June 1st of the tax year.**Number of Appeals Completed by June 1st**

Year	Appeals Filed	Appeals Completed by June 1st	Percentage Complete
2008	825	821	99.51%
2009	1,058	1,040	98.00%
2010	716	710	99.16%
2011	627	625	99.68%

Public Finance and Investments Division

Finance Department

Anchorage: Performance. Value. Results.

Purpose

Prudently and efficiently manage the debt and investment portfolios of the MOA while providing liquidity to meet daily cash requirements.

Direct Services

Provide the most cost effective source of financing for all departments of the MOA.

Manage investment portfolios of the MOA with the objectives of:

- Safety of Principal,
- Liquidity to meet all operating requirements and
- Achieve the highest return on investment while complying with investment guidelines.

Provide investment performance reporting for all investment portfolios.

Provide investment accounting and investment earnings allocation services to all MOA departments.

Accomplishment Goals

- Maintain at least the current AA rating for the MOA's general obligation as currently assigned by the rating agencies Standard & Poor's and Fitch.
- Refund any outstanding debt that provides a minimum net present value savings to the MOA.
- Invest only in securities that comply with AMC at the time of investment.
- Provide an aggregate investment return, net of fees, that outperforms the benchmark for the MOA's aggregate portfolio.

Performance Measures

- The rating of the MOA's general obligation by Standard & Poor's and Fitch.
- Dollar amount of net present value savings achieved by refunding outstanding debt.
- Monthly compliance report for investments that measures if the investments in the portfolio are in compliance with AMC and P&P 24-11.
- Monthly portfolio performance reports that measure the actual return, net of fees, of the aggregate portfolio compared to the benchmark return for the aggregate portfolio.

Measure #1: The rating of the MOA's general obligation by Standard & Poor's and Fitch.

<u>Year</u>	<u>S&P</u>	<u>Fitch</u>
2008	AA Stable	AA Stable
2009	AA Stable	AA Stable
2010	AA Stable	AA+ Stable
2011	AA Stable	AA+ Stable

Measure #2: Dollar amount of net present value savings achieved by refunding outstanding debt.

<u>Year</u>	<u>Description of Refunding</u>	<u>Par Amount</u>	<u>Nominal Savings</u>	<u>NPV Savings</u>
2008	No Refunding			
2009	AWWU-Water	49,680,000	14,953.362	5,848,119
2010	GO-GP (refunding) C-1	11,715,000	1,036,948	1,133,804
	GO-GP (restructuring) C-2	11,735,000	-2,225,256	-579,537
		<u>23,450,000</u>	<u>-1,188,308</u>	<u>554,267</u>
2011	GO-School C	28,310,000	1,947,120	1,833,004

Measure #3: Monthly compliance report for investments that measures if the investments in the portfolio are in compliance with AMC and P&P 24-11.

Month	In full compliance?	Notes
1/2010	Yes	
2/2010	No ¹	Commercial Paper was 2.17% above limit at the month end and returned to compliance as of 3/1/2010.
3/2010	Yes	
4/2010	Yes	
5/2010	Yes	
6/2010	No ¹	Corporate bonds were 1.27% above limit.
7/2010	No ¹	
8/2010	Yes	Corporate bonds were 0.77% above limit.
9/2010	Yes	
10/2010	Yes	
11/2010	Yes	
12/2010	Yes	
1/2011	Yes	
2/2011	Yes	
3/2011	No ¹	
4/2011	Yes	
5/2011	Yes	
6/2011	Yes	
7/2011	Yes	
8/2011	Yes	
9/2011	Yes	

¹ The portfolio was in compliance with P&P 24-11 when the investments were originally purchased. With bond withdrawals and market value changes, the portfolio could shift out of compliance temporarily from time to time. The MOA reports the portfolio compliance status at month end.

Measure #4: Monthly portfolio performance reports that measure the actual return, net of fees, of the aggregate portfolio compared to the benchmark return for the aggregate portfolio.

1 Month Return (%)			
Month	Portfolio	Benchmark	Excess Return over Benchmark
1/2010	0.69	0.48	0.21
2/2010	0.17	0.15	0.02
3/2010	-0.01	-0.09	0.08
4/2010	0.34	0.23	0.11
5/2010	0.13	0.24	-0.11
6/2010	0.32	0.42	-0.10
7/2010	0.34	0.27	0.07
8/2010	0.31	0.27	0.04
9/2010	0.13	0.11	0.02
10/2010	0.12	0.13	-0.01
11/2010	-0.17	-0.16	-0.01
12/2010	-0.23	-0.26	0.03
1/2011	0.19	0.14	0.05
2/2011	0.04	-0.02	0.06
3/2011	-0.03	0.00	-0.03
4/2011	0.45	0.45	0.00
5/2011	0.37	0.40	-0.03
6/2011	-0.06	-0.04	-0.02
7/2011	0.32	0.38	-0.06
8/2011	0.12	0.33	-0.21
9/2011	-0.06	-0.04	-0.02

3 Month Return (%)			
Month	Portfolio	Benchmark	Excess Return over Benchmark
1/2010	0.70	0.40	0.30
2/2010	0.44	0.07	0.37
3/2010	0.84	0.53	0.31
4/2010	0.49	0.29	0.20
5/2010	0.45	0.38	0.07
6/2010	0.79	0.89	-0.10
7/2010	0.79	0.93	-0.14
8/2010	0.98	0.97	0.01
9/2010	0.79	0.65	0.14
10/2010	0.57	0.51	0.06
11/2010	0.09	0.08	0.01
12/2010	-0.28	-0.29	0.01
1/2011	-0.21	-0.28	0.07
2/2011	0.00	-0.15	0.15
3/2011	0.20	0.12	0.08
4/2011	0.46	0.43	0.03
5/2011	0.79	0.86	-0.07
6/2011	0.76	0.82	-0.06
7/2011	0.62	0.74	-0.12
8/2011	0.37	0.67	-0.30
9/2011	0.37	0.67	-0.30

Since Inception ² Return (%)			
Month	Portfolio	Benchmark	Excess Return over Benchmark
1/2010	3.60	3.40	0.20
2/2010	3.55	3.35	0.20
3/2010	3.44	3.22	0.22
4/2010	3.46	3.21	0.25
5/2010	3.41	3.20	0.21
6/2010	3.42	3.25	0.17
7/2010	3.44	3.25	0.19
8/2010	3.45	3.25	0.20
9/2010	3.40	3.20	0.20
10/2010	3.36	3.16	0.20
11/2010	3.23	3.04	0.19
12/2010	3.08	2.89	0.19
1/2011	3.07	2.86	0.21
2/2011	3.01	2.80	0.21
3/2011	2.93	2.73	0.20
4/2011	2.99	2.79	0.20
5/2011	3.02	2.84	0.18
6/2011	2.94	2.77	0.17
7/2011	2.96	2.81	0.15
8/2011	2.93	2.83	0.10
9/2011	2.86	2.77	0.09

Notes:

1. The portfolio was in compliance with P&P 24-11 when the investments were originally purchased. With bond withdrawals and market value changes, the portfolio could shift out of compliance temporarily from time to time. The MOA reports portfolio compliance status at month end.
2. Inception date is June 1, 2007

² Inception date is June 1, 2007.

**Treasury Division
Finance Department**

Anchorage: Performance. Value. Results.

Purpose

Maximize realization of the Municipality's primary revenue sources.

Direct Services

- Bill and collect all types of taxes (property taxes and program taxes)
- Audit and analyze major City revenues and regularly report on realization status
- Audit, input and process all City cash receipts
- Efficiently and timely process utility and municipal tax payments
- Pursue all types of delinquent collections on behalf of City departments, most particularly the Anchorage Police Department
- Manage all major municipal receivables and administer various collection related contracts with external service providers
- Equitably enforce various Municipal Tax Code chapters and update periodically as needed
- Promote high level of internal controls, print and distribute all municipal checks and safeguard daily deposits and other similar nature assets through implementation and periodic updating of various Policies & Procedures and municipal wide training
- Act as fiduciary in managing MOA Trust Fund

Accomplishment Goals

- Enforce and increase collections of all valid taxes and delinquent fines and fees owed to the Municipality.
- Provide enhanced service to the general public and business community and increase growth in e-commerce (i.e., information sharing and monetary transactions) through increased public use of the Municipal website and other means.
- Promote and improve timely posting and analysis of municipal revenues.

Performance Measures

Progress in achieving goals shall be measured by:

Measure #1: Revenue generated directly by Treasury operations as a multiple of stated function cost

Treasury - Direct Revenues Generated vs. Cost

	millions of dollars		
	2010 Revenue Generated	2010 Function Cost	Calculated multiple (revenue-to-cost)
Property tax revenues	\$464.90	\$0.80	581x
Program tax revenues	\$39.00	\$0.54	72x
Delinq. Crim./Civil fines & fees	\$5.30	\$0.51	10x
MOA Trust dividend	\$5.10	\$0.22	23x
Total	\$514.30	\$2.07	248x

Note: In addition to the above data, Treasury further invests \$0.83M to indirectly support \$675M of generated revenues through high volume cash receipt audit/input and city-wide revenue analysis.

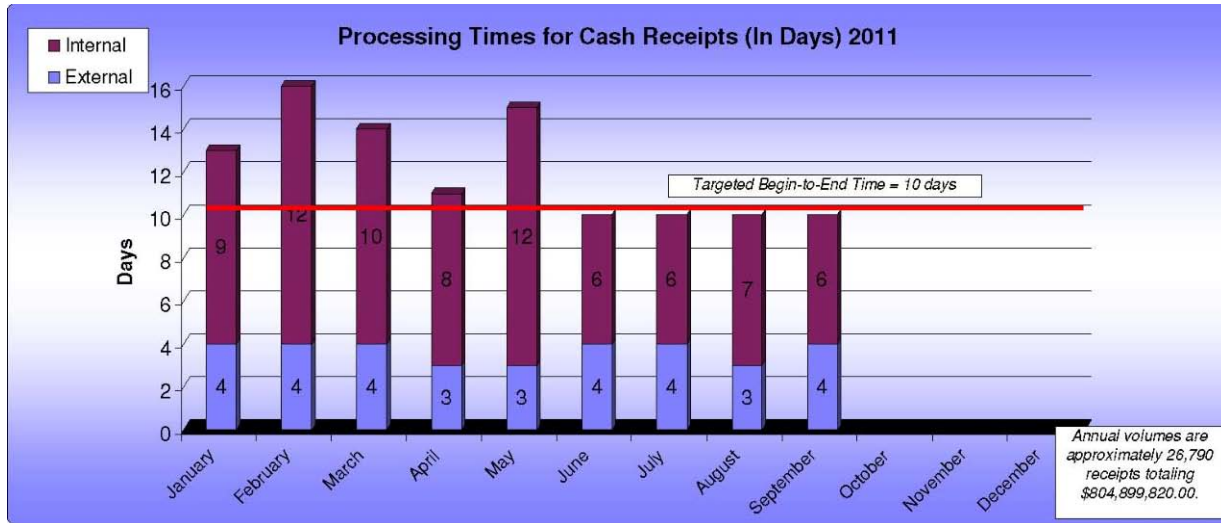
Measure #2: Tax website and e-commerce made available to public, local businesses and third party servicers (e.g., property taxpayers, mortgage/title companies, lodging industry, etc)

Treasury Tax Performance Statistics

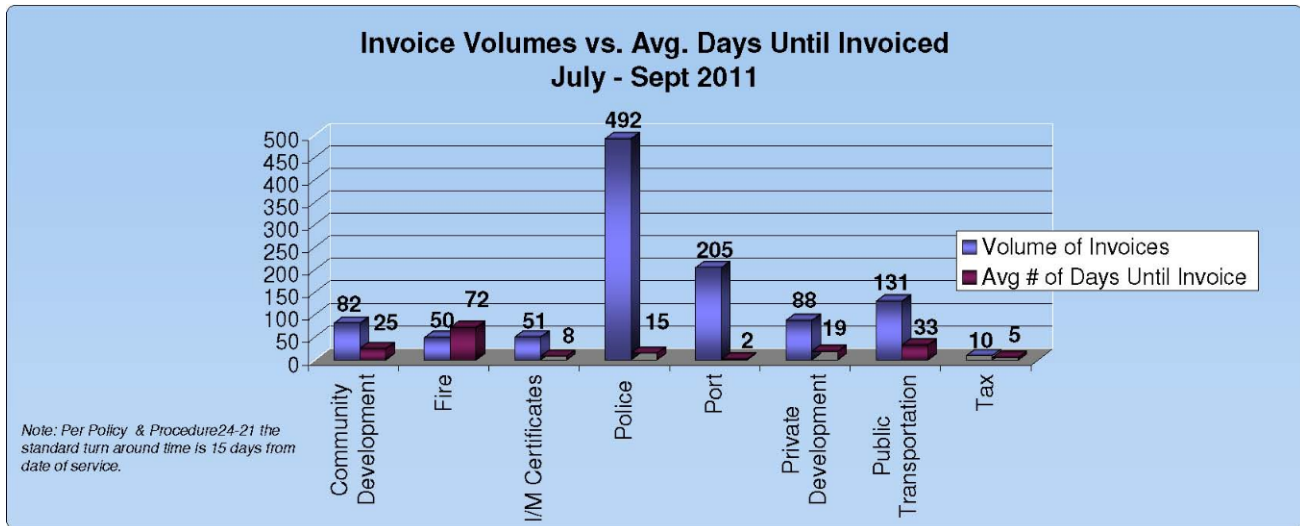
Measurement	2008	2009	2010	Comments
Tax web site and e-commerce				
# of in-coming calls	N/A	N/A	6,335	Year-to-date, as of 12/31/10
Average wait time	N/A	N/A	35	Reported in seconds
# of web site hits	1,226,766	1,258,555	1,281,671	Includes Property Taxes and CAMA
# of Credit card payment	2,178	2,188	2,242	
# of e-check payments	1,334	1,431	1,423	
Total # of e-payments	3,512	3,619	3,665	

The full value of these statistics require presenting a complete annual cycle. Annual data will be compiled and reported by the end of the 1st quarter following each calendar year.

Measure #3: Cash receipt processing time, from initial transaction date to posting date

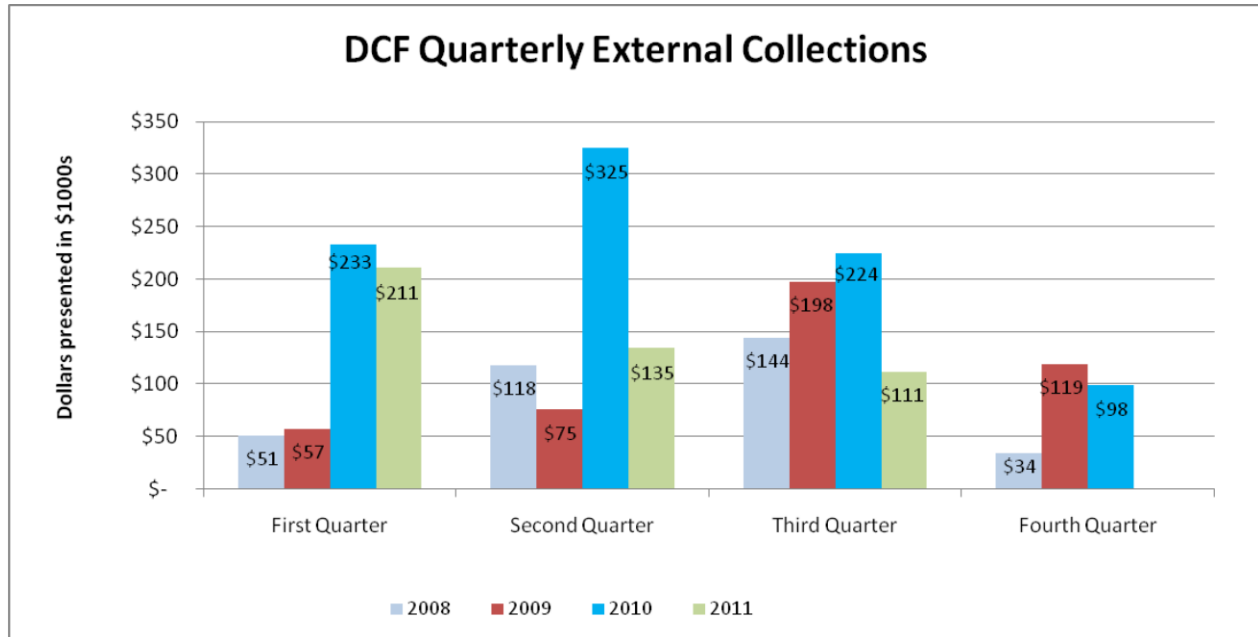


Measure #4: Timeliness of billings through PeopleSoft accounts receivable billing system

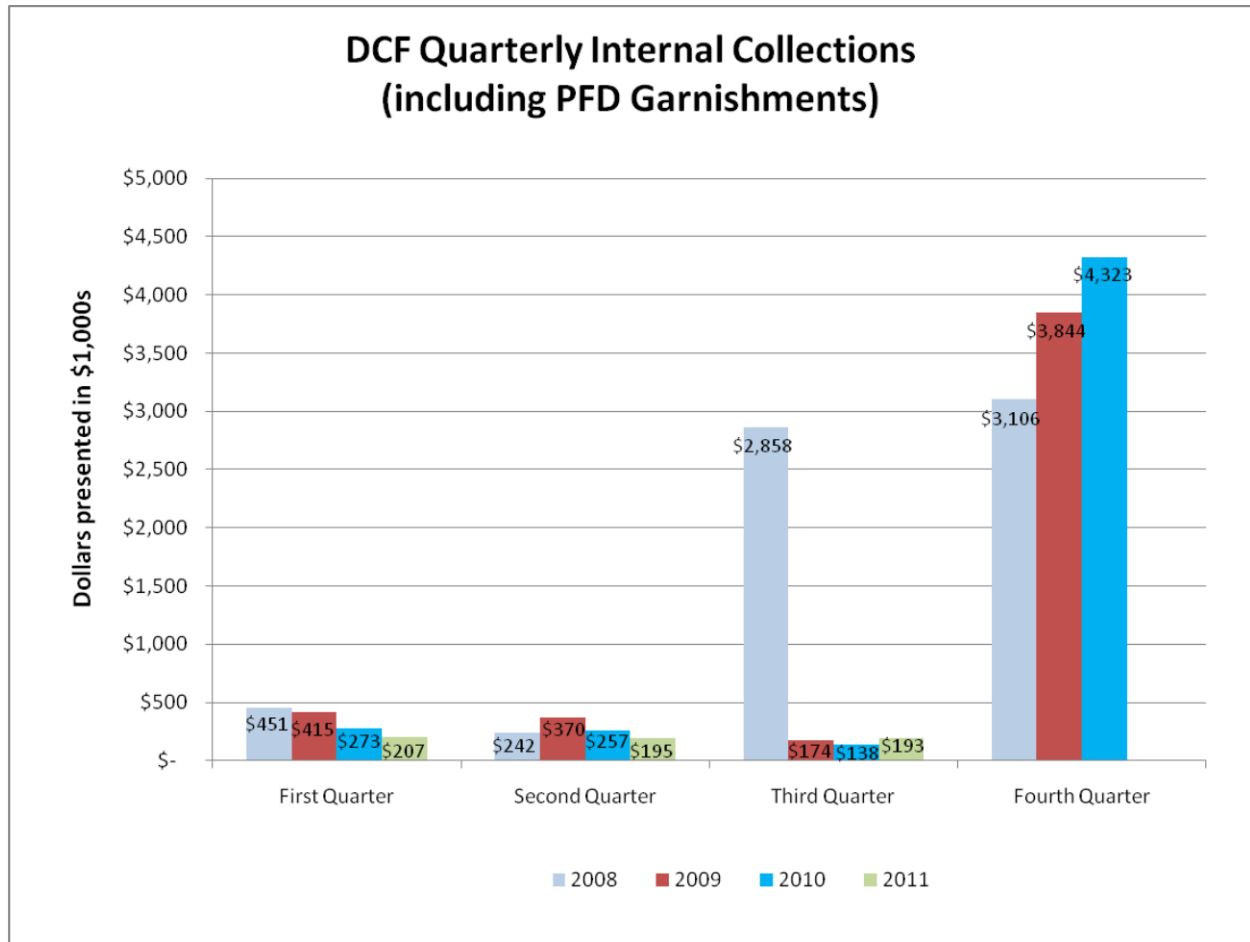


Measure #5: Collections on delinquent criminal/civil fines and fees (DCF), reflecting both internal and external efforts

(5a.)



(5b.)



(5c.)

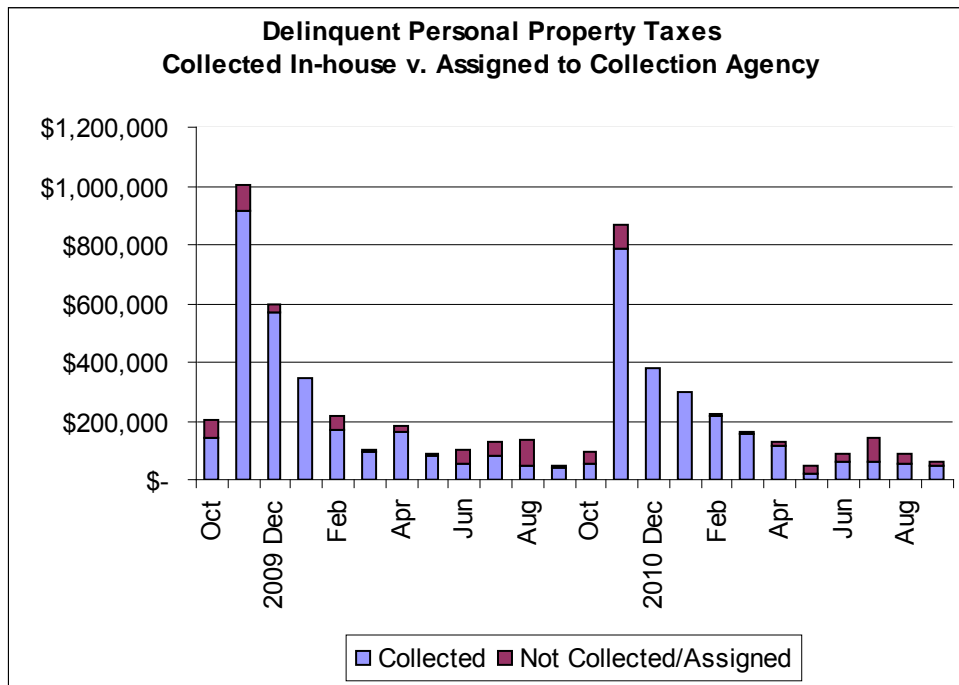
External Collection Agency Statistics

MOA Debt Type	Avg. Annual Number of Cases Submitted for Collection	Avg. Annual Dollars Submitted for Collection	Cumulative Liquidation Rate Since Inception
Traffic Citations	17,000	\$ 1,800,000	39%
Criminal Cases	8,700	\$ 3,500,000	26%
Code Enforcement Cases	1,300	\$ 550,000	8%

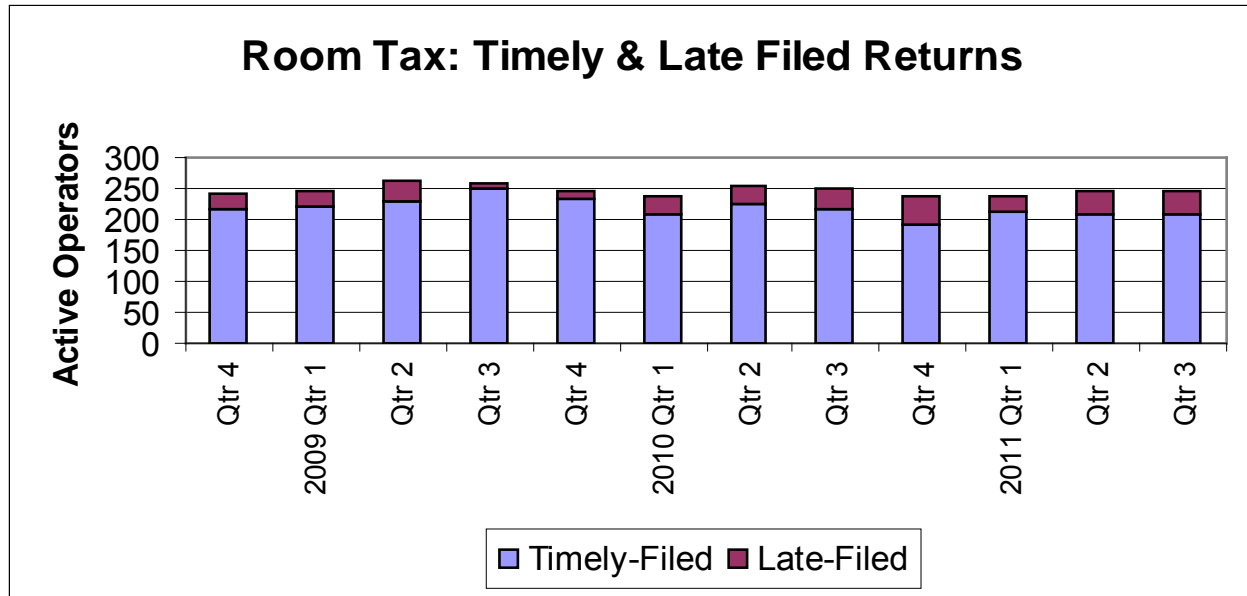
NOTE: Municipal Services Bureau (MSB) is currently the sole external collection agency for MOA DCF collections. This table displays the average amount of MOA debt submitted to MSB for collection on an annual basis, as well as MSB's liquidation rates since contract inception.

- *Traffic Citations* include a fine, surcharge and collection costs.
- *Criminal Cases* include a fine, surcharge, defense fees and cost of imprisonment.
- *Code Enforcement Cases* include a fine and late fee for violations of Anchorage Municipal Code. Examples include Minor Tobacco Fines, Curfew Violations and Zoning Violations.

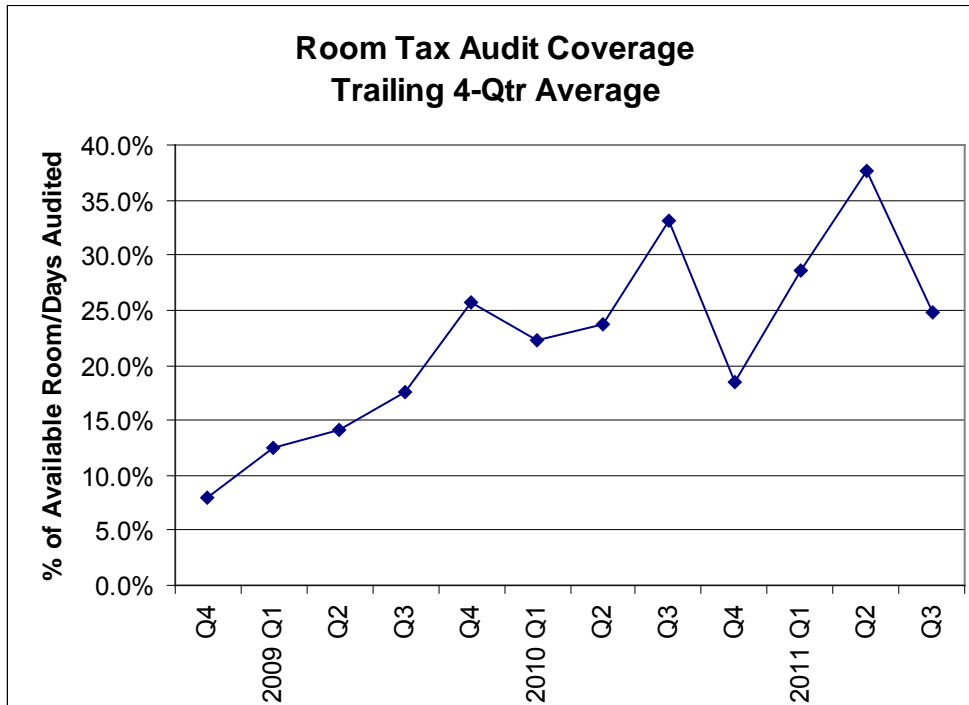
Measure #6: Internal v. External caseload of delinquent personal property taxes



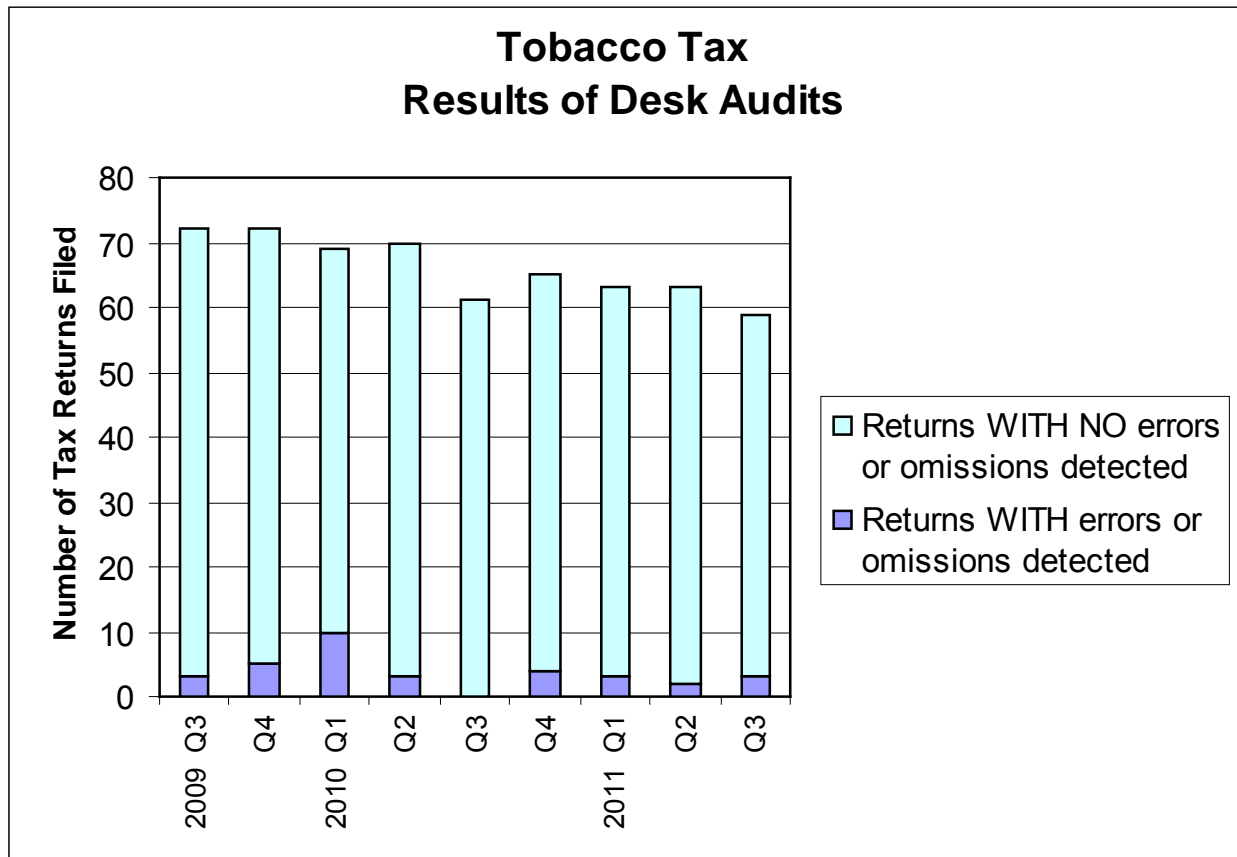
Measure #7: Number of timely v. late room tax filings



Measure #8: Audit coverage related to room tax (i.e., auditor examined rooms versus total annual number of rooms offered for rent by local operators)



Measure #9: Percent of incomplete or incorrect tobacco tax filings discovered through desk audits



PVR Measure WC: Managing Workers' Compensation Claims

Reducing job-related injuries is a priority for the Administration by ensuring safe work conditions and safe practices. By instilling safe work practices we ensure not only the safety of our employees but reduce the potential for injuries and property damage to the public. The Municipality is self-insured and every injury poses a financial burden on the public and the injured worker's family. It just makes good sense to WORK SAFE.

Results are tracked by monitoring monthly reports issued by the Risk Management Division.

