



Municipality of Anchorage

Appendices

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Appendix A

2012 Direct Cost by Department and Category of Expenditure

Department	Personnel Services	Supplies	Travel	Other Services	Debt Service	Depreciation Amortization	Capital Outlay	Total Direct Cost
Assembly	1,941,105	11,600	28,800	823,551	-	-	-	2,805,056
Chief Fiscal Officer	294,648	3,000	5,000	332,492	-	-	-	635,140
Community Development	12,840,291	140,474	-	899,031	59,260	-	24,100	13,963,156
Employee Relations	2,005,667	11,350	10,230	151,475	-	-	10,400	2,189,122
Equal Rights Commission	702,738	1,800	1,900	8,810	-	-	-	715,248
Finance	10,266,126	61,360	-	1,400,047	377,754	-	22,100	12,127,387
Fire	62,003,685	1,914,700	20,000	8,776,827	4,769,221	-	362,700	77,847,133
<i>Fire - Police/Fire Retirement</i>	-	-	-	7,973,508	-	-	-	7,973,508
Health and Human Services	5,003,248	217,870	10,290	6,102,847	316,337	-	35,004	11,685,596
Information Technology	8,623,593	104,058	9,825	3,299,853	462,913	2,800,000	19,100	15,319,342
Internal Audit	568,757	1,310	1,500	6,296	-	-	-	577,863
Library	6,370,696	59,616	-	1,284,870	-	-	39,695	7,754,877
Management and Budget	705,959	2,805	-	135,169	-	-	-	843,933
Mayor	1,081,529	6,500	17,000	593,870	-	-	-	1,698,899
<i>Community Grants</i>	-	-	-	480,500	-	-	-	480,500
Municipal Attorney	5,843,453	27,470	10,000	1,619,196	-	-	-	7,500,119
Municipal Manager	1,834,754	28,011	13,128	18,655,023	1,974,299	-	9,000	22,514,215
Parks and Recreation	10,073,991	750,633	5,000	5,909,611	3,468,069	-	166,810	20,374,114
Police	70,811,250	2,463,430	22,500	9,428,962	528,411	-	133,909	83,388,462
<i>Police - Police/Fire Retirement</i>	-	-	-	9,516,065	-	-	-	9,516,065
Public Transportation	14,205,483	3,373,586	3,500	3,409,347	580,043	-	-	21,571,959
Public Works	29,846,193	4,503,243	12,010	28,981,562	44,892,379	-	72,620	108,308,007
Purchasing	1,644,936	10,060	3,700	101,720	-	-	-	1,760,416
Real Estate	809,940	5,500	1,000	7,188,069	-	-	7,700	8,012,209
Cnvnctn Ctr Reserve/Areawide TANS Exp	-	-	-	12,330,090	381,360	-	-	12,711,450
General Government Total	247,478,042	13,698,376	175,383	129,408,791	57,810,046	2,800,000	903,138	452,273,776

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Appendix B - 1

2012 Function Cost^{*} by Fund

Fund	Title	2011 Revised Budget	2012 Approved Budget
101	Areawide General Fund	124,479,625	122,886,702
104	Chugiak Fire Service Area	1,108,166	1,500,657
105	Glen Alps Service Area	305,547	305,489
106	Girdwood Valley Service Area	1,874,557	2,348,094
111	Birchtree/Elmore LRSA	267,748	267,748
112	Section 6/Campbell Airstrip LRSA	139,660	139,660
113	Valli Vue Estates LRSA	126,387	126,387
114	Skyranch Estates LRSA	35,169	35,169
115	Upper Grover LRSA	15,638	15,638
116	Raven Woods/Bubbling Brook LRSA	17,702	17,702
117	Mt. Park Estates LRSA	34,249	34,249
118	Mt. Park/Robin Hill LRSA	151,026	151,026
119	Chugiak, Birchwood, ER Rural Road SA	6,816,167	6,812,492
121	Eaglewood Contributing RSA	108,148	108,148
122	Gateway Contributing RSA	2,167	2,167
123	Lakehill LRSA	50,617	50,617
124	Totem LRSA	35,494	35,494
125	Paradise Valley South LRSA	12,778	12,778
126	SRW Homeowners LRSA	51,518	51,518
129	Eagle River Streetlight SA	333,190	348,668
131	Anchorage Fire SA	62,894,083	64,463,309
141	Anchorage Roads and Drainage SA	67,756,436	70,032,045
142	Talus West LRSA	114,040	114,040
143	Upper O'Malley LRSA	654,999	654,999
144	Bear Valley LRSA	52,602	52,602
145	Rabbit Creek View/Hts LRSA	87,535	87,535
146	Villages Scenic Parkway LRSA	19,682	19,682
147	Sequoia Estates LRSA	23,859	23,859
148	Rockhill LRSA	48,654	48,654
149	South Goldenview Area LRSA	569,001	569,001
151	Anchorage Metropolitan Police SA	101,315,117	102,558,019
161	Anchorage Parks & Recreation SA	19,835,205	20,543,867
162	Eagle River-Chugiak Parks & Rec	3,653,407	3,247,165
181	Anchorage Building Safety SA	7,102,481	7,396,425
191	Public Finance and Investments	1,469,748	1,596,240
202	Convention Center Operating Reserve	11,700,574	12,330,090
221	Heritage Land Bank	1,586,249	1,373,570
301	PAC Surcharge Revenue Bond Fund	339,213	339,613
602	Self Insurance ISF	441,134	2,390,040
607	Information Technology ISF	247,377	501,727
Total		415,876,949	423,592,885

^{*} Function Cost is the appropriation level for funds (or service areas) and is calculated as:
Function Cost = Direct Cost + Charges by Other Departments - Charges to Other Departments

Appendix B - 2

2012 Function Cost by Fund and Category of Expenditure

Fund	Title	Personnel Services	Supplies	Travel	Other Services	Debt Service	Depreciation Amortization	Capital Outlay	Direct Cost	IGCs From Others	IGCs To Others	Function Cost
101	Areawide General Fund	92,396,761	5,445,688	117,058	47,528,410	4,085,221	-	257,719	149,830,857	56,281,384	(83,225,539)	122,886,702
104	Chugiak Fire Service Area	-	-	-	1,016,250	-	-	-	1,016,250	500,907	(16,500)	1,500,657
105	Glen Alps Service Area	-	-	-	277,876	-	-	-	277,876	27,613	-	305,489
106	Girdwood Valley Service Area	94,159	119,500	-	1,453,360	26,506	-	-	1,693,524	682,129	(27,560)	2,348,094
111	Birchtree/Elmore LRSA	-	-	-	240,748	-	-	-	240,748	27,000	-	267,748
112	Section 6/Campbell Airstrip LRSA	-	-	-	150,610	-	-	-	150,610	15,500	(26,450)	139,660
113	Valli Vue Estates LRSA	-	-	-	114,387	-	-	-	114,387	12,000	-	126,387
114	Skyranch Estates LRSA	-	-	-	31,669	-	-	-	31,669	3,500	-	35,169
115	Upper Grover LRSA	-	-	-	14,138	-	-	-	14,138	1,500	-	15,638
116	Raven Woods/Bubbling Brook LRSA	-	-	-	15,902	-	-	-	15,902	1,800	-	17,702
117	Mt. Park Estates LRSA	-	-	-	30,749	-	-	-	30,749	3,500	-	34,249
118	Mt. Park/Robin Hill RRS	-	-	-	137,026	-	-	-	137,026	14,000	-	151,026
119	Chugiak, Birchwood, ER Rural Road SA	506,291	169,940	-	6,065,524	-	-	6,000	6,747,755	87,237	(22,500)	6,812,492
121	Eaglewood Contributing RSA	-	-	-	106,248	-	-	-	106,248	1,900	-	108,148
122	Gateway Contributing RSA	-	-	-	2,117	-	-	-	2,117	50	-	2,167
123	Lakehill LRSA	-	-	-	45,317	-	-	-	45,317	5,300	-	50,617
124	Totem LRSA	-	-	-	31,994	-	-	-	31,994	3,500	-	35,494
125	Paradise Valley South LRSA	-	-	-	11,578	-	-	-	11,578	1,200	-	12,778
126	SRW Homeowners LRSA	-	-	-	46,518	-	-	-	46,518	5,000	-	51,518
129	Eagle River Streetlight SA	-	4,899	-	288,506	-	-	-	293,405	55,263	-	348,668
131	Anchorage Fire SA	47,946,500	1,515,050	20,000	9,238,763	3,947,674	-	291,200	62,959,187	18,535,333	(17,031,211)	64,463,309
141	Anchorage Roads and Drainage SA	11,428,347	3,153,226	-	10,745,231	44,892,379	-	18,000	70,237,184	2,098,235	(2,303,373)	70,032,045
142	Talus West LRSA	-	-	-	103,540	-	-	-	103,540	10,500	-	114,040
143	Upper O'Malley LRSA	-	-	-	589,999	-	-	-	589,999	65,000	-	654,999
144	Bear Valley LRSA	-	-	-	47,602	-	-	-	47,602	5,000	-	52,602
145	Rabbit Creek View/Hts LRSA	-	-	-	79,035	-	-	-	79,035	8,500	-	87,535
146	Villages Scenic Parkway LRSA	-	-	-	17,882	-	-	-	17,882	1,800	-	19,682
147	Sequoia Estates LRSA	-	-	-	21,959	-	-	-	21,959	1,900	-	23,859
148	Rockhill LRSA	-	-	-	43,654	-	-	-	43,654	5,000	-	48,654
149	South Goldenview Area LRSA	-	-	-	517,001	-	-	-	517,001	52,000	-	569,001
151	Anchorage Metropolitan Police SA	70,811,249	2,463,430	22,500	17,655,744	528,411	-	133,909	91,615,243	14,585,442	(3,642,666)	102,558,019
161	Anchorage Parks & Recreation SA	8,774,084	615,183	5,000	4,391,861	3,109,872	-	156,970	17,052,970	3,876,994	(386,097)	20,543,867
162	Eagle River-Chugiak Parks & Rec	1,299,143	94,150	-	1,276,830	358,197	-	9,840	3,038,160	239,005	(30,000)	3,247,165
181	Anchorage Building Safety SA	5,000,586	48,750	-	388,903	59,260	-	4,200	5,501,698	2,201,453	(306,727)	7,396,425
191	Public Finance and Investments	602,472	2,100	-	909,431	-	-	2,000	1,516,003	80,237	-	1,596,240
202	Convention Center Operating Reserve	-	-	-	12,330,090	-	-	-	12,330,090	-	-	12,330,090
221	Heritage Land Bank	533,162	4,700	1,000	316,900	-	-	7,200	862,962	510,608	-	1,373,570
301	PAC Surcharge Revenue Bond Fund	-	-	-	-	339,613	-	-	339,613	-	-	339,613
602	Self Insurance ISF	129,768	4,500	-	10,420,780	-	-	-	10,555,047	1,366,939	(9,531,947)	2,390,040
607	Information Technology ISF	7,955,519	57,260	9,825	2,704,659	462,913	2,800,000	16,100	14,006,276	3,668,160	(17,172,709)	501,727
Total		247,478,042	13,698,376	175,383	129,408,791	57,810,046	2,800,000	903,138	452,273,775	105,042,389	(133,723,279)	423,592,885

Appendix C

2012 Personnel Benefit Assumptions

Total benefit costs include benefit percentage of salary plus flat medical rate.

Employee Group	Health Benefits ¹		Retirement: Pers/Other	Leave Cashout	Soc. Sec. Medicare Unemp. ⁴
	Yearly Budget	Monthly Budget			
² AMEA	\$21,217	\$1,768	22.00%	2.40%	7.85%
Operating Engineers	\$15,228	\$1,269	18.00% ⁵	1.10%	7.85%
² Non-represented and Execs	\$21,217	\$1,768	22.00%	1.00%	7.85%
IAFF (Fire) F40	\$25,517	\$2,126	22.00%	5.00%	7.85%
IAFF (Fire) F56	\$25,517	\$2,126	22.00%	7.70%	7.85%
IAFF (Fire) Dispatch	\$25,517	\$2,126	22.00%	2.00%	7.85%
² IBEW/Electrical	\$18,370	\$1,531	20.00% ⁵	3.70%	7.85%
² IBEW/Mechanics	\$20,409	\$1,701	22.00% ⁵	1.00%	7.85%
² Local 71 (Laborers)	\$17,478	\$1,457	22.00%	2.00%	7.85%
APDEA (Police) Sworn	\$25,476	\$2,123	24.00% ³	1.00%	7.85%
APDEA (Police) Non-Sworn	\$25,143	\$2,095	24.00% ³	1.00%	7.85%
Plumbers	\$21,206	\$1,767	22.00%	4.00%	7.85%
Teamsters	\$19,894	\$1,658	22.00%	1.00%	7.85%
Assembly Members	\$6,264	\$522	22.00%	0.00%	7.85%

¹ Health Benefits may include: Medical, Dental, Vision, Life, Long Term Disability and Employee Assistance Program

² Seasonal Employees do not receive Medical or Retirement (with exception of IBEW seasonal employees receive medical only)

³ Police retirement includes 2% to represent the unions 401K program

⁴ Social Security @ 6.2%, Medicare @ 1.45% and Unemployment @ 0.02%. Some Police and Fire employees do not pay Social Security.

⁵ IBEW and Operating Engineers do not participate in PERS, amounts include Pension Plan, Legal Trust, Money Purchase, Hardship fund, Joint Apprenticeship, and Union Training where applicable. Employees are eligible to participate in MOA 401K and and 457 savings plan

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Appendix D

Overtime by Department

Department	2011		2012
	Revised Budget	Expended at 8/31/11	Approved Budget
Assembly	9,000	9,568	9,000
Community Development	300,060	146,875	300,060
Employee Relations	13,860	467	13,860
Finance	129,960	81,248	85,000
Fire	4,271,350	3,275,973	3,035,230
Health and Human Services	10,950	10,183	10,950
Information Technology	29,470	4,073	29,470
Library	34,150	977	34,150
Municipal Attorney	-	898	-
Municipal Manager	-	1,069	-
Management and Budget	6,990	37,518	6,990
Parks and Recreation	67,230	20,553	54,230
Police	3,742,000	1,999,874	3,742,000
Public Transportation	360,810	293,685	362,810
Public Works	1,012,107	642,063	944,957
Purchasing	-	931	-
General Government Total	9,987,937	6,525,955	8,628,707

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Appendix E

Guideline for Budgeting for Vacancies

For FY 2010 OMB adopted a new framework to budget for vacancy savings in department budgets. This is a savings that is taken up front in the budget process and is based on the expectation that not all positions will be filled 100% of the time during the course of a fiscal year.

To budget for savings due to vacancy and turnover, OMB is using the following guidelines:

# FT Positions	Minimum Vacancy Factor	Maximum Vacancy Factor
10 or less	0%	3%
11 to 20	1%	4%
21 to 30	2%	5%
31 to 50	3%	6%
51 plus	4%	7%

For departments with a large number of seasonal or part-time positions, it may be appropriate to budget a vacancy factor above the maximum since the above percentages are based on full-time position counts only.

Conversely, if a department has experienced very low turnover, it may be appropriate to budget using a percentage less than the minimum.

Once the FY 2011 budget decisions were made, OMB applied a vacancy factor percentage that considered a department's past level of turnover as well as other issues that were likely to influence the turnover rate for the next budget year.

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Appendix F

Debt Service

Debt service is the cost of repayment of debt, including principal, interest and agent fees.

The debt service included in the General Government Operating Budget typically represents debt incurred in the following ways:

- General Obligation (GO) Bonds (voter approval required to incur debt)
- Revenue Bonds (assembly approval required to incur debt)
- Lease/purchase agreements (assembly approval required to incur debt)
- Tax Anticipation Notes (TANs) (assembly approval required to incur debt)

GO Bonds

A GO Bond is a municipal bond backed by the full faith, credit and taxing power of the Municipality. GO bonds appear on a general election ballot for covering the cost of capital expenditures. They require authorization by the assembly and approval by a majority of Anchorage voters as well as a majority of voters in that service area. The debt is repaid typically over twenty years by property tax payers in that service area.

The amount of GO bond debt that the Municipality can incur is limited only by GO bond amounts approved by voters. GO bond debt service is above the Tax Cap Calculation. The mill rate for these funds is increased to accommodate the bond debt service.

The Municipality's GO Bond Ratings are:

Standard & Poor's	AA stable
Fitch Ratings	AA+ stable

Revenue Bonds

A Revenue Bond is a municipal bond supported solely by the revenues generated from a specific project or enterprise. These are not supported by the full taxing power of the Municipality. An example would be the Alaska Center for the Performing Arts where ticket surcharges pay for that facilities debt service on it's roof.

Lease/Purchase Agreements

Agreement between the Municipality and Key Government Finance, Inc. or Sun Trust that provides low interest rate loans to the Municipality for the purchase and eventual ownership of specific assets. The agreements are entered into on an as-needed basis and the loans are typically repaid over the life of the asset. The debt service related to lease/purchase agreements is limited to the maximum mill rate for the service area in which the lease/purchase agreement is made.

TANs

Tax Anticipation Notes (TANs) are short term notes issued by the Municipality for the purpose of raising funds to pay ongoing operating expenses. They are issued in anticipation of receiving property taxes and other revenues scheduled to be collected during the year. TANs normally mature and are retired prior to the year end. The debt service related to TANs is limited to the maximum mill rate for the service area for which the TANs are made.

2012 Approved Debt Service Budgeting Requirements

Fund Description	Principal	Interest	Total P&I	Agent Fees	Total
Voter-Approved GO Bonds Inside Tax Limit Calculation (5 Major Funds)					
101 Emergency Ops Ctr	629,525	419,371	1,048,896	700	1,049,596
101 Senior Center	32,510	17,239	49,749	50	49,799
101 Cemetery	177,072	89,166	266,238	300	266,538
101 Emergency Medical Service	437,816	356,575	794,391	650	795,041
101 Public Facility Repair -Areawide	271,152	313,838	584,990	100	585,090
101 Transit	348,565	231,078	579,643	400	580,043
131 Anchorage Fire	2,291,031	1,468,628	3,759,659	3,000	3,762,659
141 Anchorage Roads and Drainage	27,280,448	17,570,338	44,850,786	31,000	44,881,786
151 Anchorage Police	322,375	126,276	448,651	310	448,961
161 Anchorage Parks/Rec	2,095,198	996,783	3,091,981	2,000	3,093,981
GO Bonds Inside Tax Cap Total	33,885,692	21,589,292	55,474,984	38,510	55,513,494
Voter-Approved GO Bonds Outside Tax Limit Calculation					
106 Girdwood Fire	21,447	5,039	26,486	20	26,506
162 Eagle River Parks/Rec	232,862	125,045	357,907	290	358,197
GO Bonds Outside Tax Cap Total	254,309	130,084	384,393	310	384,703
GO Bonds Total	34,140,001	21,719,376	55,859,377	38,820	55,898,197
Revenue Bond - Alaska Center for the Performing Arts (ACPA)					
301 PAC Revenue Bond	120,000	219,613	339,613	-	339,613
ACPA Revenue Bond Total	120,000	219,613	339,613	-	339,613
Lease/Purchase Agreements					
101 Treasury AR	34,828	3,716	38,544	-	38,544
131 Fire Station 14/15 Fire Apparatus	133,355	9,287	142,642	-	142,642
181 Hansen Project	54,275	4,985	59,260	-	59,260
607 IT Capital Infrastructure	-	112,703	112,703	-	112,703
Lease/Purchase Agreements Total	222,458	130,691	353,149	-	353,149
Tax Anticipation Notes (TANS)					
101 Public Finance and Investment	-	297,000	297,000	84,360	381,360
131 Public Finance and Investment	-	33,000	33,000	9,373	42,373
141 Public Finance and Investment	-	8,250	8,250	2,343	10,593
151 Public Finance and Investment	-	61,875	61,875	17,575	79,450
161 Public Finance and Investment	-	12,375	12,375	3,516	15,891
TANS Total	-	412,500	412,500	117,167	529,667
Other					
101 CAMA	339,210	-	339,210	-	339,210
607 ERP	350,210	-	350,210	-	350,210
Other Total	689,420	-	689,420	-	689,420
Grand Total Funded Debt Service	35,171,879	22,482,180	57,654,059	155,987	57,810,046

Municipality of Anchorage
General Obligation Bonds
 Combined Annual Net Debt Service Requirements
 as of December 31, 2011

Fiscal Year	Principal	Principal Payment	Interest Payment	Gross Debt Service	US Treasury Reimbursed Interest	Total Net Debt Service
2012	484,630,000	34,140,000	21,719,376	55,859,376	(778,651)	55,080,725
2013	450,490,000	34,640,000	20,119,092	54,759,092	(778,651)	53,980,441
2014	415,850,000	37,785,000	18,608,870	56,393,870	(778,651)	55,615,219
2015	378,065,000	32,945,000	17,057,677	50,002,677	(778,651)	49,224,026
2016	345,120,000	35,210,000	15,835,673	51,045,673	(778,651)	50,267,022
2017	309,910,000	34,910,000	14,151,051	49,061,051	(761,567)	48,299,483
2018	275,000,000	35,260,000	12,443,021	47,703,021	(725,251)	46,977,769
2019	239,740,000	35,510,000	10,828,959	46,338,959	(685,569)	45,653,391
2020	204,230,000	36,675,000	9,253,780	45,928,780	(643,574)	45,285,206
2021	167,555,000	26,610,000	7,825,588	34,435,588	(598,582)	33,837,006
2022	140,945,000	23,345,000	6,626,562	29,971,562	(550,176)	29,421,385
2023	117,600,000	24,365,000	5,550,387	29,915,387	(498,917)	29,416,470
2024	93,235,000	22,760,000	4,426,599	27,186,599	(444,625)	26,741,974
2025	70,475,000	19,705,000	3,367,445	23,072,445	(387,133)	22,685,312
2026	50,770,000	13,365,000	2,438,745	15,803,745	(326,491)	15,477,254
2027	37,405,000	13,965,000	1,771,894	15,736,894	(262,529)	15,474,366
2028	23,440,000	10,095,000	1,062,489	11,157,489	(192,888)	10,964,601
2029	13,345,000	5,555,000	536,406	6,091,406	(117,801)	5,973,605
2030	7,790,000	5,775,000	236,545	6,011,545	(39,767)	5,971,778
2031	2,015,000	2,015,000	41,559	2,056,559		2,056,559
Totals		484,630,000	173,901,718	658,531,718	(10,128,126)	648,403,592

Municipality of Anchorage

Summary of Bonds Authorized but Unissued (in millions \$)

Voter Approved Proposition Year	Project Description	2007			2008			2009			2010			2011		
		Voter Approved Bonds Issued 8/30/2007	Remaining Authorized But Unissued 12/31/2007		Voter Approved Bonds Issued 12/11/2008	Remaining Authorized But Unissued 12/31/2008		Voter Approved Bonds Issued 2009	Remaining Authorized But Unissued 12/31/2009		Voter Approved Bonds Issued 4/6/2010	Remaining Authorized But Unissued 12/31/2010		Voter Approved Bonds Issued 6/9/2011	Remaining Authorized But Unissued 12/31/2011	
2007	2	4,995	2,495	-	-	2,495	-	-	-	-	-	-	-	-	895	
2007	3	5,700	5,700	-	-	-	-	-	-	-	-	-	-	-	-	
2007	6	35,550	12,615	22,935	15,830	7,105	-	-	-	-	5,840	1,265	-	-	-	
2007	7	3,075	3,075	-	-	-	-	-	-	-	-	-	-	-	-	
2008	1	-	-	-	6,900	5,400	-	-	-	-	5,400	-	-	-	-	
2008	4	-	-	-	2,000	1,500	-	-	-	-	1,500	-	-	-	-	
2008	5	-	-	-	44,800	16,110	-	-	-	-	16,110	-	-	-	-	
2008	6	-	-	-	1,688	250	-	-	-	-	100	-	-	-	150	
2008	7	-	-	-	3,622	1,272	-	-	-	-	1,272	-	-	-	-	
2009	3	-	-	-	-	-	34,225	-	-	-	26,000	8,225	-	-	4,125	
2009	6	-	-	-	-	-	1,300	-	-	-	97	1,203	-	-	303	
2009	7	-	-	-	-	-	1,800	-	-	-	1,655	145	-	-	-	
2010	1	-	-	-	-	-	-	-	-	37,090	-	37,090	-	-	22,860	
2010	2	-	-	-	-	-	-	-	-	250	-	250	-	-	-	
2010	3	-	-	-	-	-	-	-	-	1,150	-	1,150	-	-	1,150	
2011	4	-	-	-	-	-	-	-	-	-	-	-	30,850	3,000	27,850	
2011	6	-	-	-	-	-	-	-	-	-	-	-	421	-	421	
2011	6	-	-	-	-	-	-	-	-	-	-	-	520	-	520	
2011	7	-	-	-	-	-	-	-	-	-	-	-	1,150	-	1,150	
2011	8	-	-	-	-	-	-	-	-	-	-	-	250	-	250	
Total General Purpose - General Obligation		49,320	23,890	25,430	59,010	50,308	37,325	-	71,457	38,490	50,652	59,295	33,191	29,000	63,486	

Appendix G

General Government Tax Rate Trends 2003 - 2012

Tax District	2003	2004	2005	2006	2007 ²	2008 ²	2009 ²	2010	2011	2012 ³
School District	7.37	7.26	7.59	7.13	6.79	6.94	7.18	7.44	7.52	TBD in Spring
1	9.24	8.94	8.70	8.17	7.77	7.95	8.32	7.74	7.96	8.07
¹ 2, 19-21, 28, 31-35, 38-41, 44, 45, 48, 52-54	6.14	6.02	5.94	5.35	5.16	5.35	5.55	5.61	5.50	5.43
3	9.24	8.92	8.69	8.15	7.75	7.95	8.32	7.74	7.96	8.07
4	4.89	4.57	4.11	4.43	4.23	3.40	4.32	4.32	3.77	4.57
5	6.00	6.22	6.10	5.47	5.58	5.68	5.85	5.87	5.54	5.39
8	9.23	8.92	8.69	8.15	7.75	7.95	8.32	7.74	7.96	8.07
¹ 9, 23, 43	5.39	5.34	5.32	4.79	4.56	4.70	4.85	4.95	4.88	4.79
¹ 10, 50	7.95	8.62	8.59	7.87	7.52	7.62	7.80	7.96	7.78	7.58
12	8.39	8.77	8.59	7.79	7.91	8.10	8.30	8.36	8.25	8.11
15	1.50	1.10	.64	.46	.23	.37	.49	.45	.09	-0.07
¹ 16, 55, 56	3.75	3.47	3.35	3.03	2.83	2.93	3.10	3.12	2.79	2.71
¹ 22, 51	7.19	7.64	7.62	7.02	6.79	6.84	7.02	7.09	6.66	6.81
¹ 30	6.31	6.75	6.62	6.11	5.79	5.85	6.05	6.13	5.69	5.50
36			5.94	5.35	5.16	5.35	5.55	5.61	5.50	5.43
37	6.14	6.02	5.94	5.35	5.16	5.35	5.55	6.91	6.80	6.72
42	6.85	6.37	6.10	5.83	5.42	5.53	5.87	5.25	5.25	5.35
46	6.28	6.74	6.91	6.33	6.04	6.15	6.28	6.28	6.18	5.96
47	4.57	4.82	4.84	4.47	4.22	4.29	4.44	4.35	3.99	3.78

¹ Tax rates for Old City Road Service, Limited Road Service Areas and Street Lighting Service Areas, where applicable, are not included. Other Road Service areas are included.

² These tax rates do not include the tax relief.

³ 2012 tax rates in this appendix are based on preliminary assessed valuation. Assessed valuations and tax rates will be updated prior to April 2012 when the actual 2012 tax rates will be set by the Assembly.

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Appendix H

Preliminary General Government Property Tax per \$100,000 Assessed Valuation

NOTE: The 2012 tax rates in this appendix are based on preliminary assessed valuation. Assessed valuations and tax rates will be updated prior to April 2012 when the actual 2012 tax rates will be set by the Assembly.

Taxing District	Areawide ¹	Fire	Roads	Police	Parks	Total
1	(7)	208	264	278	64	807
* 2, 19-21, 28, 31-35, 38-41, 44, 45, 48, 52-54	(7)	208	-	278	64	543
3	(7)	208	264	278	64	807
4	(7)	236	178	-	50	457
5	(7)	-	268	278	-	539
8	(7)	208	264	278	64	807
* 9, 23, 43	(7)	208	-	278	-	479
* 10, 50	(7)	208	202	278	77	758
12	(7)	208	268	278	64	811
15	(7)	-	-	-	-	(7)
* 16, 55, 56	(7)	-	-	278	-	271
* 22, 51	(7)	131	202	278	77	681
30	(7)	-	202	278	77	550
* 36	(7)	208	-	278	64	543
37	(7)	208	129	278	64	672
42	(7)	-	264	278	-	535
46	(7)	208	40	278	77	596
47	(7)	-	30	278	77	378

¹ Some services provided by the Municipality must be offered on an "areawide" basis under State law or as provided for in the Municipal Charter. These include services such as health and environmental protection, social services, animal control, library, museum, mass transit, emergency medical services, planning and zoning, property assessment, and tax collection.

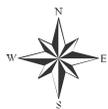
* Tax rates for Old City Road Service, Limited Road Service Areas and Street Lighting Service Areas, where applicable, are not included. Other Road Service Areas are included.

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Municipality of Anchorage
Tax District Map

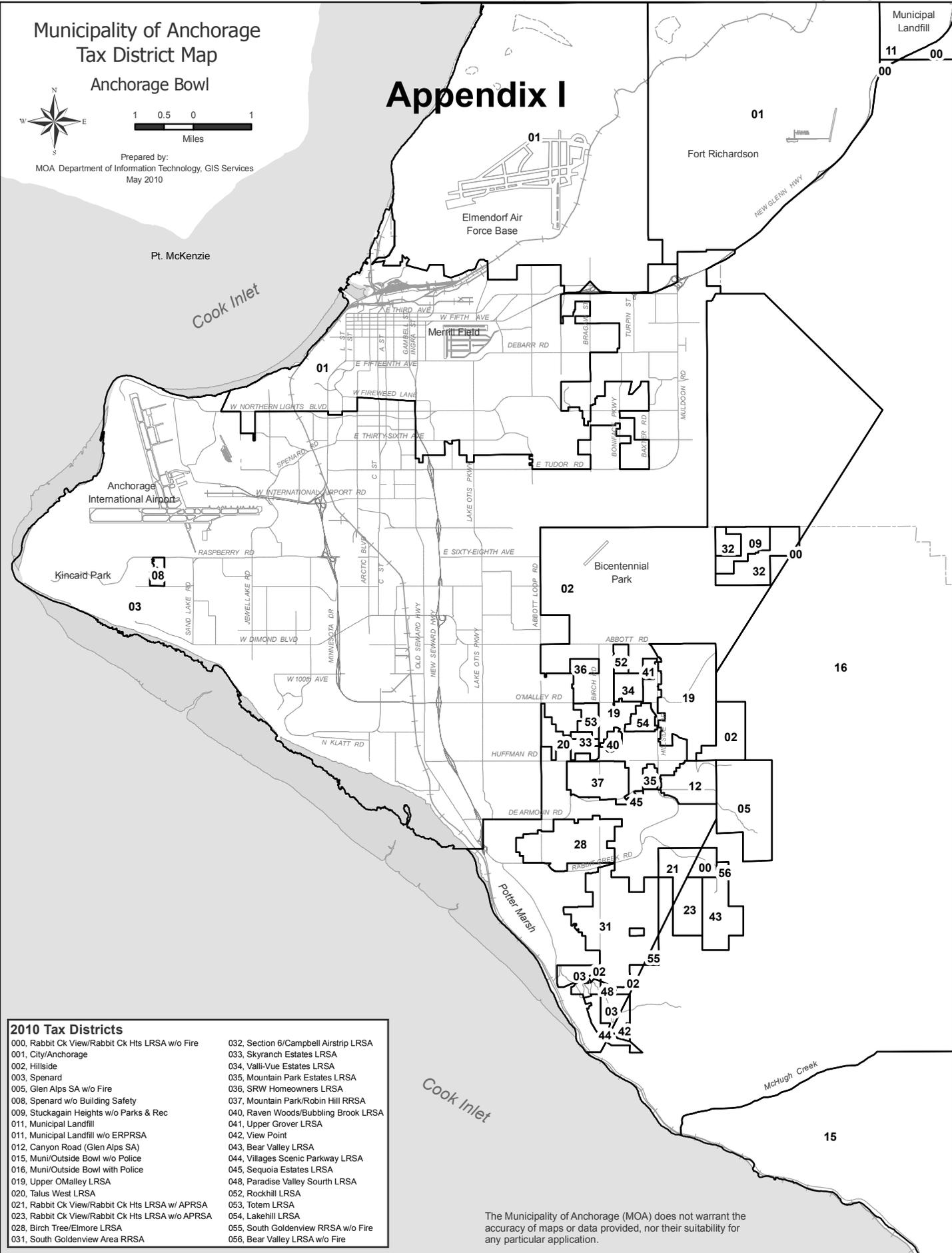
Anchorage Bowl

Appendix I



Prepared by:
MOA Department of Information Technology, GIS Services
May 2010

Municipal
Landfill
11
00



2010 Tax Districts

- | | |
|--|---------------------------------------|
| 000, Rabbit Ck View/Rabbit Ck Hts LRSA w/o Fire | 032, Section 6/Campbell Airstrip LRSA |
| 001, City/Anchorage | 033, Skyranch Estates LRSA |
| 002, Hillside | 034, Valli-Vue Estates LRSA |
| 003, Spenard | 035, Mountain Park Estates LRSA |
| 005, Glen Alps SA w/o Fire | 036, SRW Homeowners LRSA |
| 008, Spenard w/o Building Safety | 037, Mountain Park/Robin Hill RRSA |
| 009, Stuckagain Heights w/o Parks & Rec | 040, Raven Woods/Bubbling Brook LRSA |
| 011, Municipal Landfill | 041, Upper Grover LRSA |
| 011, Municipal Landfill w/o ERPRSA | 042, View Point |
| 012, Canyon Road (Glen Alps SA) | 043, Bear Valley LRSA |
| 015, Muni/Outside Bowl w/o Police | 044, Villages Scenic Parkway LRSA |
| 016, Muni/Outside Bowl with Police | 045, Sequoia Estates LRSA |
| 019, Upper O'Malley LRSA | 048, Paradise Valley South LRSA |
| 020, Talus West LRSA | 052, Rockhill LRSA |
| 021, Rabbit Ck View/Rabbit Ck Hts LRSA w/ APRSA | 053, Totem LRSA |
| 023, Rabbit Ck View/Rabbit Ck Hts LRSA w/o APRSA | 054, Lakehill LRSA |
| 028, Birch Tree/Elmore LRSA | 055, South Goldenview RRSA w/o Fire |
| 031, South Goldenview Area RRSA | 056, Bear Valley LRSA w/o Fire |

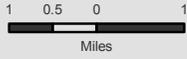
The Municipality of Anchorage (MOA) does not warrant the accuracy of maps or data provided, nor their suitability for any particular application.

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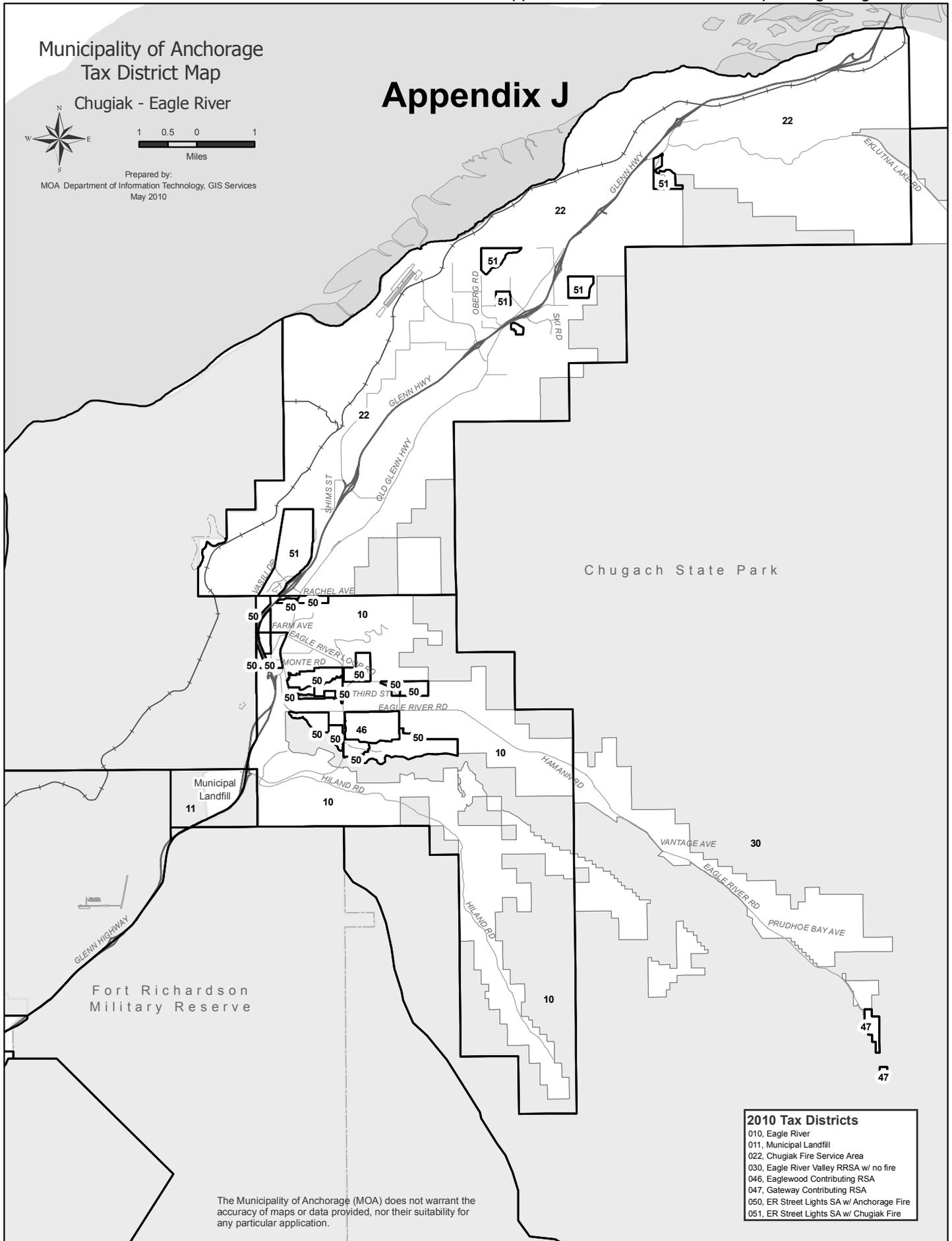
Municipality of Anchorage
Tax District Map

Chugiak - Eagle River

Appendix J



Prepared by:
MOA Department of Information Technology, GIS Services
May 2010



2010 Tax Districts	
010	Eagle River
011	Municipal Landfill
022	Chugiak Fire Service Area
030	Eagle River Valley RRSA w/ no fire
046	Eaglewood Contributing RSA
047	Gateway Contributing RSA
050	ER Street Lights SA w/ Anchorage Fire
051	ER Street Lights SA w/ Chugiak Fire

The Municipality of Anchorage (MOA) does not warrant the accuracy of maps or data provided, nor their suitability for any particular application.

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Appendix K

Chugiak Fire Service Area

(Fund 104)

The Municipality's Charter requires that our 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 Fire Service Area was established for fire protection within the service area. The maximum mill rate for the service area shall not exceed 1.00 mills in any calendar year (AMC 27.30.060). The service area is included in Municipal Tax Districts 22 and 51.

The net cost total on the fund summary presented on the following page represents the tax cost for the Chugiak Fire Service Area, 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:

$$\frac{\$ 1,422,914}{\$1,088,556,746} \times 1,000 = 1.31$$

The preliminary mill rate exceeds the maximum mill rate allowed due to excessive IGCs from the Fire Department. During the 2012 Revised budget process, the Fire Department will correct the IGC methodologies to be more in line with prior years. The actual 2012 mill rate will be based on the revised budget and updated assessed values so that the final rate does not exceed the allowable 1.00 mill.

Fund 104 Summary
Chugiak Fire Service Area
 (Dept ID # 3540)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Chugiak Fire and Rescue (3540) - Department: Fire	817,607	1,016,250	1,016,250	-
Direct Cost Total	817,607	1,016,250	1,016,250	-
Intragovernmental Charges				
Charges by Other Departments	114,860	108,416	500,907	362.02%
Charges to Other Departments	(16,500)	(16,500)	(16,500)	-
Function Cost Total	915,967	1,108,166	1,500,657	35.42%
Program Generated Revenue	(116,707)	(63,270)	(77,743)	22.87%
Net Cost Total	799,260	1,044,896	1,422,914	36.18%

Direct Cost by Category

Personnel	-	-	-	-
Supplies	660	-	-	-
Travel	-	-	-	-
Contractual/Other Services	816,947	1,016,250	1,016,250	-
Debt Service/Depreciation	-	-	-	-
Equipment, Furnishings	-	-	-	-
Direct Cost Total	817,607	1,016,250	1,016,250	-

Position Summary as Budgeted

Full-Time	-	-	1	100.00%
Part-Time	1	2	-	-100.00%
Position Total	1	2	1	-50.00%

Chugiak Fire and Rescue
Department: Fire
Division: Emergency Operations
(Dept ID # 3540)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Supplies	660	-	-	-
Travel	-	-	-	-
Contractual/Other Services	816,947	1,016,250	1,016,250	-
Manageable Direct Cost Total	817,607	1,016,250	1,016,250	-
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	817,607	1,016,250	1,016,250	-
Intragovernmental Charges				
Charges by Other Departments	114,860	108,416	500,907	362.02%
Charges to Other Departments	(16,500)	(16,500)	(16,500)	-
Program Generated Revenue				
9672 - Prior Yr Expense Recovery	(116,707)	-	-	-
9724 - Proceeds-Refunding Bonds	-	-	-	-
Program Generated Revenue Total	(116,707)	-	-	-
Net Cost				
Manageable Direct Cost	817,607	1,016,250	1,016,250	-
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	114,860	108,416	500,907	362.02%
Charges to Other Departments	(16,500)	(16,500)	(16,500)	-
Program Generated Revenue Total	(116,707)	-	-	-
Net Cost Total	799,260	1,108,166	1,500,657	35.42%

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Appendix L

Girdwood Valley Service Area

(Fund 106)

The Municipality's Charter requires that our 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.

Girdwood Valley Service Area was established for street construction and maintenance, solid waste collection, fire protection, and parks and recreation within the service area. The maximum attainable mill rate for the service area shall not exceed 6.00 mills in any calendar year (AMC 27.30.020). The service area is included in Municipal Tax District 4.

The net cost total on the fund summary presented on the following page represents the tax cost for the Girdwood Valley Service Area, 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:

$$\frac{\$ 2,340,094}{\$ 494,206,212} \times 1,000 = 4.74$$

Fund 106 Summary
Girdwood Valley Service Area
 (Dept ID # 3550, 5480, 7460)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Fire and Rescue (3550) - Department: Fire	616,033	666,058	666,346	0.04%
Parks and Recreation (5480) - Department: Parks and Rec	353,252	227,186	184,984	-18.58%
Street Maintenance (7460) - Department: Public Works	609,066	748,800	842,195	12.47%
Direct Cost Total	1,578,351	1,642,044	1,693,525	3.14%
Intragovernmental Charges				
Charges by Other Departments	254,728	260,073	682,129	162.28%
Charges to Other Departments	(27,560)	(27,560)	(27,560)	-
Function Cost Total	1,805,519	1,874,557	2,348,094	25.26%
Program Generated Revenue	(22,881)	(8,000)	(8,000)	-
Net Cost Total	1,782,638	1,866,557	2,340,094	25.37%

Direct Cost by Category				
Personnel	30,634	42,966	94,159	119.15%
Supplies	34,131	119,500	119,500	-
Travel	-	-	-	-
Contractual/Other Services	1,491,166	1,453,360	1,453,360	-
Debt Service/Depreciation	21,826	26,218	26,506	1.10%
Equipment, Furnishings	594	-	-	-
Direct Cost Total	1,578,351	1,642,044	1,693,525	3.14%

Position Summary as Budgeted				
Full-Time	-	-	1	100.00%
Part-Time	1	2	-	-100.00%
Position Total	1	2	1	-50.00%

Girdwood Valley Fire and Rescue
Department: Fire
Division: Emergency Operations
 (Dept ID # 3550)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Supplies	3,046	-	-	-
Travel	-	-	-	-
Contractual/Other Services	590,567	639,840	639,840	-
Equipment, Furnishings	594	-	-	-
Manageable Direct Cost Total	594,207	639,840	639,840	-
Debt Service, Depreciation	21,826	26,218	26,506	1.10%
Direct Cost Total	616,033	666,058	666,346	0.04%
Intragovernmental Charges				
Charges by Other Departments	125,277	131,500	547,201	316.12%
Charges to Other Departments	(27,560)	(27,560)	(27,560)	-
Program Generated Revenue				
9722 - Premium On Bond Sales	(192)	-	-	-
9724 - Proceeds-Refunding Bonds	(10,792)	-	-	-
Program Generated Revenue Total	(10,984)	-	-	-
Net Cost				
Manageable Direct Cost	594,207	639,840	639,840	-
Debt Service, Depreciation	21,826	26,218	26,506	1.10%
Charges by Other Departments	125,277	131,500	547,201	316.12%
Charges to Other Departments	(27,560)	(27,560)	(27,560)	-
Program Generated Revenue Total	(10,984)	-	-	-
Net Cost Total	702,766	769,998	1,185,987	54.02%

Girdwood Valley Parks and Recreation
Department: Parks and Recreation
Division: Girdwood Parks and Recreation
 (Dept ID # 5480)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Salaries and Benefits				
1101 - Straight Time Labor	21,500	37,609	764	-97.97%
1301 - Leave/Holiday Accruals	2,030	2,465	-	-100.00%
1401 - Benefits	7,105	2,892	-	-100.00%
Salaries and Benefits Total	30,634	42,966	764	-297.97%
Supplies	11,708	41,300	41,300	-
Travel	-	-	-	-
Contractual/Other Services	310,910	142,920	142,920	-
Manageable Direct Cost Total	353,252	227,186	184,984	-18.58%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	353,252	227,186	184,984	-18.58%
Intragovernmental Charges				
Charges by Other Departments	62,480	71,474	74,063	3.62%
Program Generated Revenue				
9441 - Rec Centers And Programs	(6,489)	(6,000)	(6,000)	-
9442 - Sport And Park Activities	(1,047)	-	-	-
9444 - Camping Fees	(509)	-	-	-
9672 - Prior Yr Expense Recovery	(1,428)	-	-	-
Program Generated Revenue Total	(9,473)	(6,000)	(6,000)	-
Net Cost				
Manageable Direct Cost	353,252	227,186	184,984	-18.58%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	62,480	71,474	74,063	3.62%
Program Generated Revenue Total	(9,473)	(6,000)	(6,000)	-
Net Cost Total	406,259	292,660	253,047	-13.54%

Girdwood Valley Street Maintenance
Department: Public Works
Division: Other Service Areas
 (Dept ID # 7460)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Supplies	19,377	78,200	78,200	-
Travel	-	-	-	-
Contractual/Other Services	589,689	670,600	670,600	-
Manageable Direct Cost Total	609,066	748,800	842,195	12.47%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	609,066	748,800	842,195	12.47%
Intragovernmental Charges				
Charges by Other Departments	66,971	57,099	60,865	6.60%
Program Generated Revenue				
9731 - Lease & Rental Revenue	(2,424)	(2,000)	(2,000)	-
Program Generated Revenue Total	(2,424)	(2,000)	(2,000)	-
Net Cost				
Manageable Direct Cost	609,066	748,800	842,195	12.47%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	66,971	57,099	60,865	6.60%
Program Generated Revenue Total	(2,424)	(2,000)	(2,000)	-
Net Cost Total	673,613	803,899	901,060	12.09%

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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	-

Appendix N

Eagle River-Chugiak Park and Recreational Service Area (Fund 162)

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.

Eagle River-Chugiak Park and Recreational Service Area (ERCPRSA) was established for parks and recreational services within the service area. The maximum attainable mill rate for the service area shall not exceed 1.00 mill in any calendar year. No more than .50 mill shall be for parks and recreation services and no more than .50 mill shall be for capital improvements (AMC 27.30.090). The service area is included in multiple Municipal Tax Districts.

The net cost total on the fund summary presented on the following page represents the tax cost for the ERCPRSA, 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:

$$\frac{\$ 2,824,562}{\$ 3,504,396,159} \times 1,000 = 0.81$$

Fund 162 Summary
Eagle River-Chugiak Park and Recreational Service Area
 (Dept ID # 5115, 5119, 5470, 5471, 5473, 5474)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Fire Lake Rec Ctr (5115) - Department: Parks & Rec	100,000	50,000	50,000	-
ER Park Facilities (5119) - Department: Parks & Rec	24,598	30,313	29,484	-2.73%
ER Chugiak Parks (5470) - Department: Parks & Rec	1,022,206	1,251,774	1,223,779	-2.24%
ER Parks Debt (5471) - Department: Parks & Rec	362,164	358,551	358,197	-0.10%
Chugiak Pool (5473) - Department: Parks & Rec	480,396	604,805	593,843	-1.81%
Contrib for Cap Improvmnt (5474) - Department: Parks & Rec	1,012,487	1,039,857	782,857	-24.71%
Direct Cost Total	3,001,852	3,335,300	3,038,160	-8.91%
Intragovernmental Charges				
Charges by Other Departments	408,748	348,106	239,004	-31.34%
Charges to Other Departments	(30,000)	(30,000)	(30,000)	-
Function Cost Total	3,380,600	3,653,406	3,247,164	-11.12%
Program Generated Revenue	(513,987)	(422,602)	(422,602)	-
Net Cost Total	2,866,613	3,230,804	2,824,562	-12.57%

Direct Cost by Category				
Personnel	1,107,267	1,338,929	1,299,143	-2.97%
Supplies	61,224	92,150	94,150	2.17%
Travel	-	-	-	-
Contractual/Other Services	1,451,665	1,535,830	1,276,830	-16.86%
Debt Service/Depreciation	361,935	358,551	358,197	-0.10%
Equipment, Furnishings	19,761	9,840	9,840	-
Direct Cost Total	3,001,852	3,335,300	3,038,160	-8.91%

Position Summary as Budgeted				
Full-Time	7	8	7	-12.50%
Part-Time	39	38	38	-
Position Total	46	46	45	-2.17%

Fire Lake Recreation Center
Department: Parks and Recreation
Division: Eagle River/Chugiak Parks and Recreation
 (Dept ID # 5115)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Supplies	-	-	-	-
Travel	-	-	-	-
Contractual/Other Services	100,000	50,000	50,000	-
Manageable Direct Cost Total	100,000	50,000	50,000	-
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	100,000	50,000	50,000	-
Intragovernmental Charges				
Charges by Other Departments	5,919	38,851	46,892	20.70%
Net Cost				
Manageable Direct Cost	100,000	50,000	50,000	-
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	5,919	38,851	46,892	20.70%
Net Cost Total	105,919	88,851	96,892	9.05%

Eagle River Park Facilities
Department: Parks and Recreation
Division: Eagle River/Chugiak Parks and Recreation
 (Dept ID # 5119)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Salaries and Benefits				
1101 - Straight Time Labor	10,414	18,712	18,688	-0.13%
1201 - Overtime	62	-	-	-
1301 - Leave/Holiday Accruals	125	1,252	449	-64.14%
1401 - Benefits	1,421	1,469	1,467	-0.14%
1501 - Allow Differentials/Premiums	190	-	-	-
1601 - Vacancy Factor	-	(220)	(220)	-
Salaries and Benefits Total	12,211	21,213	20,384	-64.40%
Supplies	686	2,000	2,000	-
Travel	-	-	-	-
Contractual/Other Services	11,701	6,100	6,100	-
Equipment, Furnishings	-	1,000	1,000	-
Manageable Direct Cost Total	24,598	30,313	29,484	-2.73%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	24,598	30,313	29,484	-2.73%
Intragovernmental Charges				
Charges by Other Departments	5,237	1,242	5,714	360.06%
Program Generated Revenue				
9441 - Rec Centers And Programs	-	(5,000)	-	-100.00%
9442 - Sport And Park Activities	(7,616)	(3,000)	(8,000)	166.67%
Program Generated Revenue Total	(7,616)	(8,000)	(8,000)	-
Net Cost				
Manageable Direct Cost	24,598	30,313	29,484	-2.73%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	5,237	1,242	5,714	360.06%
Program Generated Revenue Total	(7,616)	(8,000)	(8,000)	-
Net Cost Total	22,220	23,555	27,198	15.47%

Eagle River/Chugiak Parks
Department: Parks and Recreation
Division: Eagle River/Chugiak Parks and Recreation
 (Dept ID # 5470)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Salaries and Benefits				
1101 - Straight Time Labor	419,413	547,636	527,483	-3.68%
1201 - Overtime	7,808	6,500	6,500	-
1301 - Leave/Holiday Accruals	69,886	35,684	25,410	-28.79%
1401 - Benefits	190,050	227,987	230,419	1.07%
1501 - Allow Differentials/Premiums	77	-	-	-
1601 - Vacancy Factor	-	(7,920)	(7,920)	-
Salaries and Benefits Total	687,234	809,887	781,892	-31.40%
Supplies	45,639	76,440	75,940	-0.65%
Travel	-	-	-	-
Contractual/Other Services	269,573	356,607	357,107	0.14%
Equipment, Furnishings	19,761	8,840	8,840	-
Manageable Direct Cost Total	1,022,206	1,251,774	1,223,779	-2.24%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	1,022,206	1,251,774	1,223,779	-2.24%
Intragovernmental Charges				
Charges by Other Departments	210,512	183,284	136,129	-25.73%
Charges to Other Departments	(30,000)	(30,000)	(30,000)	-
Program Generated Revenue				
9441 - Rec Centers And Programs	(99,270)	(100,000)	(100,000)	-
9442 - Sport And Park Activities	(50,843)	(32,000)	(32,000)	-
9499 - Reimbursed Cost	(26,000)	(26,002)	(26,002)	-
9731 - Lease & Rental Revenue	(6,600)	(6,600)	(6,600)	-
9742 - Other Property Sales	(280)	-	-	-
9798 - Miscellaneous Revenues	(4,605)	-	-	-
Program Generated Revenue Total	(187,597)	(164,602)	(164,602)	-
Net Cost				
Manageable Direct Cost	1,022,206	1,251,774	1,223,779	-2.24%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	210,512	183,284	136,129	-25.73%
Charges to Other Departments	(30,000)	(30,000)	(30,000)	-
Program Generated Revenue Total	(187,597)	(164,602)	(164,602)	-
Net Cost Total	1,015,121	1,240,456	1,165,306	-6.06%

Eagle River Parks Debt (162)
Department: Parks and Recreation
Division: Eagle River/Chugiak Parks and Recreation
 (Dept ID # 5471)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Travel	-	-	-	-
Contractual/Other Services	229	-	-	-
Manageable Direct Cost Total	229	-	-	-
Debt Service, Depreciation	361,935	358,551	358,197	-0.10%
Direct Cost Total	362,164	358,551	358,197	-0.10%
Intragovernmental Charges				
Charges by Other Departments	3,259	-	-	-
Program Generated Revenue				
9601 - Contributions Other Funds	(75,780)	-	-	-
9672 - Prior Yr Expense Recovery	(1)	-	-	-
Program Generated Revenue Total	(75,781)	-	-	-
Net Cost				
Manageable Direct Cost	229	-	-	-
Debt Service, Depreciation	361,935	358,551	358,197	-0.10%
Charges by Other Departments	3,259	-	-	-
Program Generated Revenue Total	(75,781)	-	-	-
Net Cost Total	289,642	358,551	358,197	-0.10%

Chugiak Pool
Department: Parks and Recreation
Division: Eagle River/Chugiak Parks and Recreation
 (Dept ID # 5473)

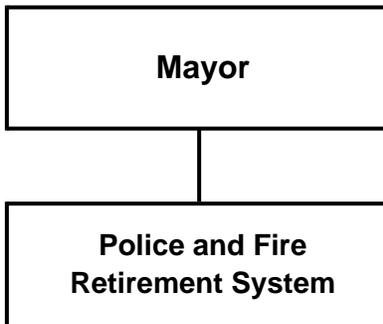
	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Salaries and Benefits				
1101 - Straight Time Labor	262,392	329,721	344,220	4.40%
1201 - Overtime	6,397	2,000	2,000	-
1301 - Leave/Holiday Accruals	19,774	22,058	8,043	-63.54%
1401 - Benefits	115,647	158,883	147,437	-7.20%
1501 - Allow Differentials/Premiums	3,612	-	-	-
1601 - Vacancy Factor	-	(4,833)	(4,833)	-
Salaries and Benefits Total	407,822	507,829	496,867	-66.34%
Supplies	14,900	13,710	16,210	18.23%
Travel	-	-	-	-
Contractual/Other Services	57,675	83,266	80,766	-3.00%
Manageable Direct Cost Total	480,396	604,805	593,843	-1.81%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	480,396	604,805	593,843	-1.81%
Intragovernmental Charges				
Charges by Other Departments	160,613	124,729	50,269	-59.70%
Program Generated Revenue				
9443 - Aquatics	(243,030)	(250,000)	(250,000)	-
9791 - Cash Over & Short	37	-	-	-
Program Generated Revenue Total	(242,993)	(250,000)	(250,000)	-
Net Cost				
Manageable Direct Cost	480,396	604,805	593,843	-1.81%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	160,613	124,729	50,269	-59.70%
Program Generated Revenue Total	(242,993)	(250,000)	(250,000)	-
Net Cost Total	398,016	479,534	394,112	-17.81%

Contribution for Capital Improvements
Department: Parks and Recreation
Division: Eagle River/Chugiak Parks and Recreation
 (Dept ID # 5474)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost				
Travel	-	-	-	-
Contractual/Other Services	1,012,487	1,039,857	782,857	-24.71%
Manageable Direct Cost Total	1,012,487	1,039,857	782,857	-24.71%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	1,012,487	1,039,857	782,857	-24.71%
Intragovernmental Charges				
Charges by Other Departments	23,207	-	-	-
Net Cost				
Manageable Direct Cost	1,012,487	1,039,857	782,857	-24.71%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	23,207	-	-	-
Net Cost Total	1,035,694	1,039,857	782,857	-24.71%

Appendix O

Police and Fire Retirement System



Police and Fire Retirement System

Purpose

To carry out administration of retirement benefits for current and future retirees and beneficiaries of the Police and Fire Retirement System, in accordance with provisions contained in AMC 3.85 for the exclusive benefit of the members by prudently managing and investing Plan assets.

Description of System

Police and Fire Retirement System is comprised of three retirement plans, all of which were created for the purpose of encouraging qualified personnel to enter and remain in the service of the Municipality of Anchorage as police officers and firefighters through the establishment of a system of retirement, disability and death benefits for members, participants and their beneficiaries. This system is intended to be a contractual relationship in accordance with the provisions of Article XII, Section 7, of the Constitution of Alaska.

The members are separated into three plans:

- Plan I for members employed on or before June 30, 1977
- Plan II for members employed on or after July 1, 1977, and before April 17, 1984
- Plan III for members employed on or after April 17, 1984 and prior to May 25, 1994

No other person is eligible to participate in the system. Re-employed or rehired members shall, at the time of employment, be required to participate in the State of Alaska Pension Plan (PERS) and are not eligible to again participate in the retirement system.

The system was set up to operate on the investment earnings of the Trust fund but, because of losses incurred due to market conditions in 2008, the Municipality has been making annual contributions from the Police and Fire departments to bring the fund back to fully funded/self-sustaining.

The Trust is administered by a nine-person board of trustees.

The management of the Trust Fund and payment of retirement benefits are reported in Contractual/Other Services but are not budgeted or appropriated. The operating budget for the administration of the System is appropriated as a section with the GGOB (see page T – 4, Section 9).

Police and Fire Retirement System Department Summary

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Division				
Police and Fire Retirement Administration	30,680,139	910,631	917,680	0.77%
Direct Cost Total	30,680,139	910,631	917,680	0.77%
Intragovernmental Charges				
Charges by Other Departments	19,781	57,341	57,199	<0.25%>
Function Cost Total	30,699,920	967,972	974,879	0.71%
Program Generated Revenue	(54,196,852)	(8,925,927)	(6,570,055)	<26.39%>
Net Cost Total	(23,496,933)	(7,957,955)	(5,595,176)	<29.69%>
Direct Cost by Category				
Personnel	468,605	469,271	494,790	5.44%
Supplies	1,591	3,000	2,500	<16.67%>
Travel	-	55,000	40,000	<27.27%>
Contractual/Other Services	30,196,184	373,050	364,390	<2.32%>
Debt Service/Depreciation	2,316	2,310	6,000	159.74%
Equipment, Furnishings	11,443	8,000	10,000	25.00%
Direct Cost Total	30,680,139	910,631	917,680	0.77%
Position Summary as Budgeted				
Full-Time	9	9	3	
Part-Time	3	3	1	
Position Total	12	12	4	

Police and Fire Retirement System
Division Summary
Police and Fire Retirement System Administration
 (Dept ID # 1710, 1721, 1722, 1723)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Category				
Salaries and Benefits	468,605	469,271	494,790	5.44%
Supplies	1,591	3,000	2,500	<16.67%>
Travel	-	55,000	40,000	<27.27%>
Contractual/Other Services	30,196,184	373,050	364,390	<2.32%>
Equipment, Furnishings	11,443	8,000	10,000	25.00%
Manageable Direct Cost Total	30,677,823	908,321	911,680	0.37%
Debt Service, Depreciation	2,316	2,310	6,000	159.74%
Direct Cost Total	30,680,139	910,631	917,680	0.77%
Revenue by Fund				
Fund 715 - Police/Fire Retirement Trust	54,196,852	8,925,927	6,570,055	<26.39%>
Revenue Total	54,196,852	8,925,927	6,570,055	<26.39%>

Positions as Budgeted

	2010 Revised		2011 Revised		2012 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Dir Anch Police/Fire Retir Sy	3	-	3	-	1	-
Retirement Specialist I	3	-	3	-	1	-
Retirement Specialist IV	3	3	3	3	1	1
Positions as Budgeted Total	9	3	9	3	3	1

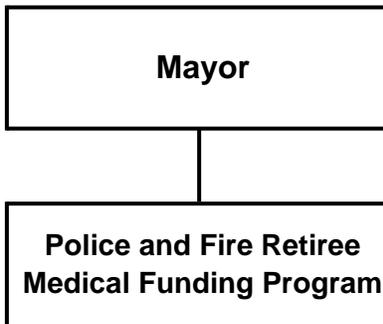
Police and Fire Retirement System
Division Detail
Police and Fire Retirement System Administration
(Dept ID # 1710, 1721, 1722, 1723)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Category				
Salaries and Benefits				
1101 - Straight Time Labor	277,964	287,916	311,450	8.17%
1201 - Overtime	710	300	300	-
1301 - Leave/Holiday Accruals	34,904	19,262	5,211	<72.95%>
1401 - Benefits	155,027	161,793	177,829	9.91%
Salaries and Benefits Total	468,605	469,271	494,790	5.44%
Supplies	1,591	3,000	2,500	<16.67%>
Travel	-	55,000	40,000	<27.27%>
Contractual/Other Services	30,196,184	373,050	364,390	<2.32%>
Equipment, Furnishings	11,443	8,000	10,000	25.00%
Manageable Direct Cost Total	30,677,823	908,321	911,680	0.37%
Debt Service, Depreciation	2,316	2,310	6,000	159.74%
Direct Cost Total	30,680,139	910,631	917,680	0.77%
Intra-Governmental Charges				
Charges By Other Departments	19,781	57,341	57,199	<0.25%>
Program Generated Revenue				
9601 - Contributions Other Funds	11,993,000	8,563,332	6,239,875	<27.13%>
9631 - Employee Contribution to PFRS	406,395	362,595	330,180	<8.94%>
9745 - Gain Sale Of Investments	5,019,126	-	-	-
9761 - Cash Pools Short-Term Int	216	-	-	-
9765 - Other Interest Income	4,783,023	-	-	-
9766 - Dividend Income	979,054	-	-	-
9767 - Unrealized Gains & Losses	30,908,364	-	-	-
9798 - Miscellaneous Revenues	107,674	-	-	-
Program Generated Revenue Total	54,196,852	8,925,927	6,570,055	<26.39%>
Net Cost				
Manageable Direct Cost	30,677,823	908,321	911,680	0.37%
Debt Service, Depreciation	2,316	2,310	6,000	159.74%
Charges By Other Departments	19,781	57,341	57,199	<0.25%>
Program Generated Revenue	(54,196,852)	(8,925,927)	(6,570,055)	<26.39%>
Net Cost Total	(23,496,933)	(7,957,955)	(5,595,176)	<29.69%>

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Appendix P

Police and Fire Retiree Medical Funding Program



Police and Fire Retiree Medical Funding Program

Purpose

To administer the health reimbursement arrangement (HRA) for those receiving retirement benefits under the Police and Fire Retirement System in accordance with provisions contained in AMC 3.87 and AMC 3.88.

Description

Police and Fire Retiree Medical system is a defined contribution plan. The Municipality will pay a predetermined amount to a Trust, for the employee's benefit. The employee will be able to choose from a variety of options as to how to spend the money in his or her account (they are not limited to the insurance provided by the Municipality).

The membership qualifications are:

- Must be beneficiary of the Police and Fire Retirement System
- Hired prior to January 1, 1995
- Retire on or after January 1, 1995.

The program also provides coverage to spouses and eligible dependents. The system is closed; no other person is eligible to participate in the system.

Police and Fire Departments make contributions to cover administrator and investment consulting costs in Police/Fire Retirees Medical Administration Fund (213).

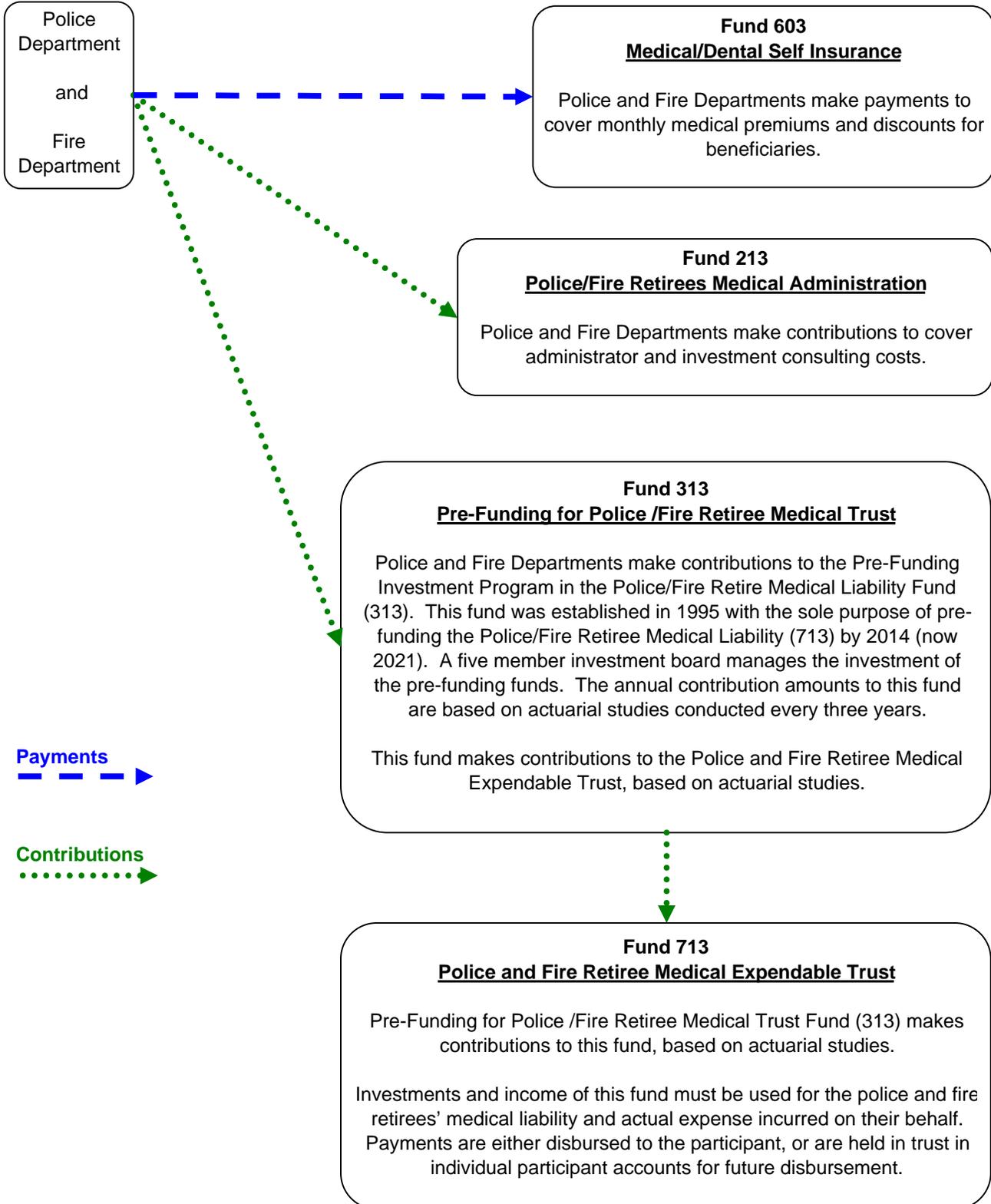
Police and Fire Departments also make contributions to the Pre-Funding Investment Program in the Police/Fire Retire Medical Liability Fund (313). This fund was established in 1995 with the sole purpose of pre-funding, via contributions, the Police/Fire Retiree Medical Liability (713) by 2014 (now 2021). A five member investment board manages the pre-funding investments. The contribution amounts to Fund 313 are based on actuarial studies conducted every three years (AMC 3.88).

Additionally, the Police and Fire Departments pay premiums and provide monthly discounts from the stated premium to all members purchasing municipal health insurance. The Police and Fire Departments make these payments directly to the Municipal Self Insurance fund.

The Trust is administered by an eight-person board of trustees.

The operating budget for the administration of the Program and the contributions from the prefunding debt service fund to the Trust fund are appropriated as a sections with the GGOB (see page T – 4, Sections 5 and 8). The activity of the Trust Fund, management of the Trust and payment of medical benefits, are not budgeted or appropriated.

Police and Fire Retiree Medical Funding Program Flow of Funds AMC 3.87 and AMC 3.88



Police and Fire Retiree Medical Funding Program Department Summary

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Division				
Police and Fire Retiree Medical Funding Program	2,873,517	3,091,199	3,200,201	3.53%
Direct Cost Total	2,873,517	3,091,199	3,200,201	3.53%
Intragovernmental Charges				
Charges by Other Departments	60,035	1,550	1,426	<8.03%>
Charges to Other Departments	(192,551)	-	-	
Function Cost Total	2,741,000	3,092,749	3,201,626	3.52%
Program Generated Revenue	(3,399,244)	(273,145)	(273,145)	-
Net Cost Total	(658,243)	2,819,604	2,928,481	3.86%
Direct Cost by Category				
Personnel	110,644	118,795	119,829	0.87%
Supplies	-	1,280	1,280	-
Travel	-	-	-	-
Contractual/Other Services	2,762,873	2,971,124	3,079,092	3.63%
Debt Service/Depreciation	-	-	-	-
Direct Cost Total	2,873,517	3,091,199	3,200,201	3.53%
Position Summary as Budgeted				
Full-Time	1	1	1	
Part-Time	-	-	-	
Position Total	1	1	1	

**Police and Fire Retiree Medical Funding Program
Division Summary**

Police and Fire Retiree Medical Funding Program

(Dept ID # 1860, 1876)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Category				
Salaries and Benefits	110,644	118,795	119,829	0.87%
Supplies	-	1,280	1,280	-
Travel	-	-	-	
Contractual/Other Services	2,762,873	2,971,124	3,079,092	3.63%
Manageable Direct Cost Total	2,873,517	3,091,199	3,200,201	3.53%
Debt Service, Depreciation	-	-	-	
Direct Cost Total	2,873,517	3,091,199	3,200,201	3.53%

Revenue by Fund

Fund 213 - Police/Fire Retirees Med Admin	221	183,145	183,145	-
Fund 313 - Police/Fire Ret Med Liability	3,399,023	90,000	90,000	-
Revenue Total	3,399,244	273,145	273,145	-

Positions as Budgeted

	2010 Revised		2011 Revised		2012 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Senior Admin Officer	1	-	1	-	1	-
Positions as Budgeted Total	1	-	1	-	1	-

Police and Fire Retiree Medical Funding Program

Division Detail

Police and Fire Retiree Medical Funding Program

(Dept ID # 1860, 1876)

	2010 Actuals	2011 Revised	2012 Approved	12 v 11 % Chg
Direct Cost by Category				
Salaries and Benefits				
1101 - Straight Time Labor	67,282	73,303	74,792	2.03%
1201 - Overtime	344	-	-	-
1301 - Leave/Holiday Accruals	4,520	4,857	1,496	<69.20%>
1401 - Benefits	38,498	40,635	43,541	7.15%
Salaries and Benefits Total	110,644	118,795	119,829	0.87%
Supplies	-	1,280	1,280	-
Travel	-	-	-	-
Contractual/Other Services	2,762,873	2,971,124	3,079,092	3.63%
Manageable Direct Cost Total	2,873,517	3,091,199	3,200,201	3.53%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	2,873,517	3,091,199	3,200,201	3.53%
Intra-Governmental Charges				
Charges By Other Departments	60,035	1,550	1,426	<8.03%>
Charges To Other Departments	(192,551)	-	-	-
Program Generated Revenue				
9601 - Contributions Other Funds	-	182,535	182,535	-
9745 - Gain Sale Of Investments	24,883	-	-	-
9761 - Cash Pools Short-Term Int	145	610	610	-
9765 - Other Interest Income	180,431	90,000	90,000	-
9766 - Dividend Income	615,866	-	-	-
9767 - Unrealized Gains & Losses	2,577,919	-	-	-
Program Generated Revenue Total	3,399,244	273,145	273,145	-
Net Cost				
Manageable Direct Cost	2,873,517	3,091,199	3,200,201	3.53%
Debt Service, Depreciation	-	-	-	-
Charges By Other Departments	60,035	1,550	1,426	<8.03%>
Charges To Other Departments	(192,551)	-	-	-
Program Generated Revenue	(3,399,244)	(273,145)	(273,145)	-
Net Cost Total	(658,243)	2,819,604	2,928,481	3.86%

Appendix Q

Local Government Profile

Geography

Anchorage is located in south central Alaska situated on a broad plain at the head of the Cook Inlet. It lies slightly farther north than Oslo, Stockholm, Helsinki and St. Petersburg. According to the United States Census Bureau, the municipality has a total area of 1,961.1 square miles.



Organization

In 1975, the citizens of the Anchorage area ratified a Home Rule Charter for a unified municipal government. Under the Municipal Charter, the City of Anchorage, incorporated in 1920, the Greater Anchorage Area Borough, incorporated in 1964, and two small incorporated communities, Girdwood and Glen Alps were dissolved as of September 15, 1975, and the Municipality became their legal successor. Being a unified home rule municipality, the Municipality is responsible for a wide range of public services that are commonly provided through both a city and a county government.

The chief executive officer of the Municipality is the Mayor, who is elected at-large to a three-year term and who may not serve more than two consecutive terms. Subject to confirmation by the Assembly, the Mayor appoints the Municipal Manager, the Municipal Attorney, the Chief Fiscal Officer, and all heads of municipal departments. The Mayor may participate, but may not vote, in meetings of the Assembly. The Mayor may veto ordinances passed by the Assembly, and veto, strike or reduce budget or appropriation measure line items. A minimum of eight members of the Assembly must vote to override a veto by the Mayor.

The legislative power of the Municipality is vested in the Assembly comprised of eleven members, elected by district, to three-year staggering terms and who may not serve more than three consecutive terms. The presiding officer of the Assembly is the Chairperson, who is elected annually from and by the membership of the Assembly. The Assembly appoints the Municipal Clerk. Municipal ordinances, Assembly schedules, agendas and other legislative information are available on-line at www.muni.org.

The Municipality has multiple citizen boards and commissions to advise and assist the administration and Assembly with issues that range from animal control to zoning. Members are appointed by the Mayor and confirmed by the Assembly. Board members and commissioners volunteer their services and typically serve three-year, staggering terms.

Municipal services are provided through service areas. Each service area is treated as an individual taxing unit although only the Municipality can levy taxes. Certain services of the Municipality – education, planning and zoning, health services, animal control, environmental quality, taxing and assessing, emergency medical service and public transportation – are provided area-wide. The ad valorem tax rate for these services is uniform throughout the Municipality. In addition, service areas consisting of only part of the area within the Municipality have been created for such purposes as fire protection, police protection, road maintenance, parks and recreation, building safety, etc. As a result, the total

tax rate applicable to any given parcel of property is the sum of the Municipality-wide levy rates plus the rates for the special-purpose service areas within which that parcel is located.

Pursuant to the Municipal Charter, the Municipality owns and operates a number of utilities as enterprise funds. These include: Anchorage Water & Waste Water Utility, Municipal Light & Power, Solid Waste Services, Port of Anchorage, and Merrill Field Airport. The Municipality also runs the Anchorage Community Development Authority.

Climate

For its northern location (61° latitude), Anchorage enjoys a subarctic climate with strong maritime influences that moderate temperatures. Average daytime summer temperatures ranges from 55 to 78 degrees; average daytime winter temperature ranges between 5 to 30 degrees. Anchorage has a frost-free growing season that averages slightly over 101 days.

Demographics

The Anchorage Municipality is home to almost two-fifths of Alaska's population.

<u>Year</u>	<u>Anchorage</u>	<u>State of Alaska</u>
2010	291,826	722,900
2009	290,588	714,146
2008	283,912	697,828
2007	282,968	686,818
2006	283,348	680,169

Source: U.S. Census 2010

As of September 7, 2006, 94 languages were spoken by students in the Anchorage School District.

<u>Race</u>	<u>Percent</u>
White	66.0%
Asian	8.1%
Two or more races	8.1%
American Indian/Alaska Native	7.9%
Black	5.6%
Other	2.3%
Pacific Islander	2.0%

The median age of Anchorage residents is 32.9 years; for women 33.6 years and men 32.2 years. Other demographic information includes:

Household income	\$64,635
Family income	\$75,439
Household size	2.64
Family size	3.19

Economy

The Municipality of Anchorage is the leading trade, banking and communications center of Alaska as well as the headquarters city in Alaska for many of the national and international firms participating in the development of the petroleum, natural gas and other natural resources of the State. The Municipality is also an important seaport, a world air transportation center, the headquarters city for the Alaska Railroad and the site of the large and historically stable military base, Joint Base Elmendorf-Richardson, also known as JBER which is a combined installation of Elmendorf Air Force Base and Fort Richardson Army Bases. Federal and State government offices and tourism are also major factors in the economic base of the Municipality.

Anchorage Wage and Salary Employment

Forecast and comparisons by industry, 2010 to 2011 ⁵

	2010 Monthly Average	2011 Monthly Average ¹	Change 2010 to 2011	% Change 2010 to 2011	Forecast for 2012	Change 2011 to 2012	% Change 2011 to 2012
Total Nonfarm Wage and Salary ²	151,200	153,300	2,100	1.40%	154,300	1,000	0.60%
Mining and Logging	2,800	3,000	200	7.10%	3,000	–	0%
Oil and Gas	2,600	2,800	200	7.70%	2,800	–	0%
Construction	8,400	7,900	-500	-6.00%	7,600	-300	-3.80%
Manufacturing	1,900	1,900	–	0%	1,900	–	0%
Trade, Transportation, and Utilities	32,500	32,900	400	1.20%	33,400	500	1.50%
Retail Trade	17,100	16,900	-200	-1.20%	17,100	200	1.20%
Transportation, Warehousing, Utilities	10,800	11,400	600	5.60%	11,700	300	2.60%
Information	4,100	4,000	-100	-2.40%	4,000	–	0%
Financial Activities	8,900	8,900	–	0%	8,900	–	0%
Professional and Business Services	18,400	18,700	300	1.60%	18,900	200	1.10%
Educational ³ and Health Services	21,600	22,500	900	4.20%	23,200	700	3.10%
Leisure and Hospitality	15,700	16,300	600	3.80%	16,700	300	1.80%
Other Services	5,700	6,000	300	5.30%	6,100	100	1.70%
Government	31,300	31,200	-100	-0.30%	30,800	-400	-1.30%
Federal Government ⁴	9,800	9,600	-200	-2.00%	9,200	-400	-4.20%
State Government ⁵	10,600	10,700	100	0.90%	10,700	–	0%
Local Government ⁶	11,000	10,900	-100	-0.90%	10,700	-200	-1.80%

¹ Preliminary estimates

² Excludes self-employed workers, fishermen, domestic workers, and unpaid family workers

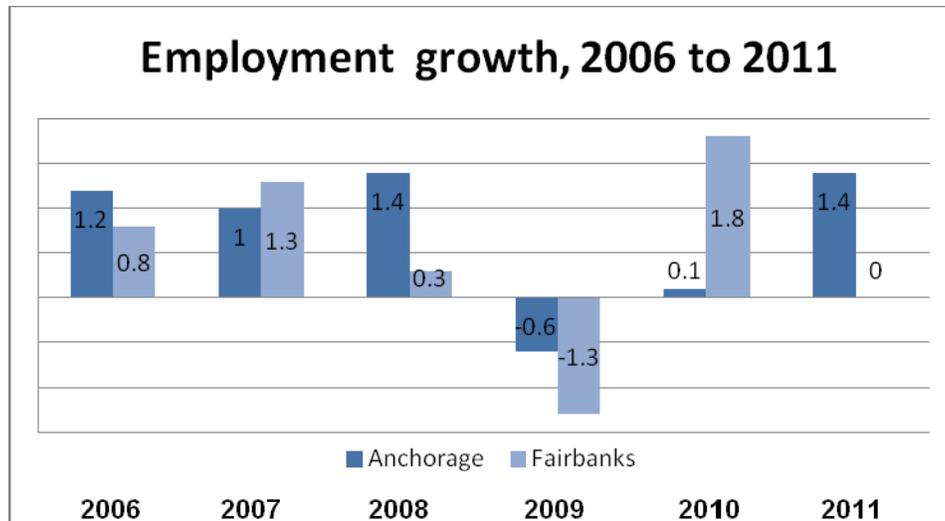
³ Private education only

⁴ Excludes uniformed military

⁵ Includes the University of Alaska

⁶ Includes public school systems

Source: Alaska Economic Trends January 2012



Source: Alaska Department of Labor and Workforce Development Research and Analysis Section

Unemployment Rate

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Average
2010	7.4	7.7	7.6	7.1	6.8	7.0	6.5	6.6	6.7	6.3	6.4	6.4	6.9
2009	6.3	6.6	6.5	6.2	6.4	7.0	6.5	6.6	6.9	6.7	6.4	6.6	6.6

Principal Property Tax Payers 2010

Taxpayer	Assessed Value	Percentage of Total Assessed Value
ACS of Anchorage Inc	\$ 245,851,624	0.78%
GCI Communication Corporation	166,704,829	0.53%
Calais Company Inc	156,421,413	0.50%
Fred Meyer Stores Inc	138,860,136	0.44%
Enstar Natural Gas Company	137,963,497	0.44%
BP Exploration (Alaska) Inc	124,779,506	0.40%
Galen Hospital Alaska Inc	123,546,182	0.39%
WEC 2000A-Alaska LLC	104,778,620	0.33%
Hickel Investment Company	100,156,411	0.32%
Anchorage Fueling and Service Company	92,080,176	0.29%
	\$ 1,391,142,394	4.42%

Notes: Assessed values include both real and personal property.

Source: Municipality of Anchorage, Property Appraisal Division

Politics

Anchorage sends 15 representatives to the 40-member Alaska House of Representatives and 7 senators to the 20-member senate, making up nearly half of both houses

Transportation

The Ted Stevens Anchorage International Airport is the primary passenger airport and is an important cargo airport globally due to Anchorage's location on the great circle routes between Asia and the lower 48. It is located approximately three miles southwest of the principal business district of the Municipality. This airport is the leader in international air freight gateway in the nation, by weight. Twenty-six percent of the tonnage of U.S. international air freight moves through Anchorage. The Ted Stevens International Airport includes both domestic and international terminals and general aviation.

Lake Hood Seaplane Base is the largest sea plane base in the world and is located adjacent to the Ted Stevens Anchorage International Airport along Lake Hood. The facility operates on a year-round basis, but weather conditions in the winter months dictate that the Seaplane Base operates as a ski-plane facility for part of the year.

More than 2,200 private aircraft are based in the Anchorage area and are served by 11 airfields and two float plane bases. Merrill Field, operated by the Municipality, is the largest general aviation airport for private aircraft in the State of Alaska.

The Alaska Railroad Corporation, which maintains its headquarters and principal repair shops, warehouses and yards in Anchorage, provides freight and passenger service spanning more than 685 track miles and connecting over 70% of Alaska's population. The railroad serves the cities of Anchorage and Fairbanks, the ports of Whittier, Seward, and Anchorage, as well as Denali National Park and military installations.

The Port of Anchorage received 95% of all goods destined for Alaska. Besides handling incoming and outgoing cargo shipments, the Port of Anchorage also serves as a storage facility for jet fuel from Alaska refineries utilized at both the Ted Stevens International Airport and Joint Base Elmendorf Richardson (JBER). The port is located just north of Ship Creek near downtown Anchorage on the Knik Arm of the Cook Inlet of the Pacific Ocean. The docks have excellent connections with the Alaska Railroad and highway connections to Alaska intrastate highway routes.

Anchorage is connected to the rest of Alaska through two major highways. Alaska Route 1 also known as the Seward Highway connects Anchorage south to the Kenai Peninsula. The Glenn Highway extends eastbound beyond Joint Base Elmendorf-Richardson and Eagle River, connecting Anchorage to the Matanuska-Susitna Valley. This route leads further to the Richardson Highways to go further north or to the Tok Cut-Off with further connections to the contiguous North American highway system via the Alaska Highway.

Anchorage has a bus system called People Mover with a central hub downtown and two satellite hubs that serves metropolitan and the suburbs of Eagle River and Birchwood.

Community Services**Police Department:**

Call for Service: Is a police action but does not always generate a police report and does not represent actual, classified, crime statistics.

2010	286,110	2007	260,382
2009	292,865	2006	240,883
2008	267,433		

Police Reports: are calls for service that results in official documentation of the incident. Beginning in 2008 the method of counting reports changed to reflect the introduction of Mobile Data Computers and the automation of entering reports into the Records Management System.

2010	64,371	2007	62,129
2009	64,658	2006	61,297
2008	66,387		

Source: Police Department's website: www.muni.org/Departments/police

Fire Department:

Number of fire stations	13
Number of fire hydrants	5,885
Fire runs per year	6,556
Paramedic runs per year	23,805
Number of EMS units (mobile intensive care unit ambulances)	9
Number of rescue boats	2

Efficient Emergency Response

Year	2010	2009	2008	2007	2006
Emergency Medical	20,031	20,148	19,076	18,746	17,857
Fire	741	944	816	934	885
Service Calls	6,689	6,188	5,318	5,396	4,623
Hazardous Conditions	564	503	1,249	1,430	1,271
False Alarms	2,188	2,207	1,977	2,302	1,923
	30,213	29,990	28,436	28,808	26,559

Source: Fire Department's website: www.muni.org/Departments/fire

Parks and Recreation Department:

Number of Parks	223
Playgrounds	82
Athletic Fields	110
Swimming Pools	5
Recreation Facilities	11
Trails	150 miles with 135 paved

Trails Around Anchorage

Plowed winter walkways	130 miles/216 kms
Maintained ski trails	105 miles/175+ kms
Dog mushing trails	36 miles/60 kms
Summer non-paved hiking trails	87 miles/145+ kms
Lighted ski trails	24 miles/40 kms
Ski-joring trails	66 kms
Equestrian trails	10 kms

Numerous trails connect to the Chugach State Park, a high, alpine tundra park of some 495,000 acres.

Source: Park Department's website: www.muni.org/Departments/parks

Wildlife

A diverse wildlife population exists in urban Anchorage and the surrounding area. Approximately 250 black bears and 60 grizzly bears live in the area. Bears are regularly sighted within the city along with 1,000s of moose.

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Appendix R

Structure of Municipal Funds

Funds represent accounting entities established to track resources available for and costs needed to provide for particular functions or activities. A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance related legal requirements and are established based on generally accepted accounting standards.

As a general rule, the effect of interfund activity (IGCs, Contributions to/from Other Funds) has been eliminated from the government-wide financial statements. Exceptions to this rule are charges between Anchorage's various business-type functions and various other functions of Anchorage. Elimination of these charges would distort the direct costs and program revenues reported for the various function's concerned.

The Municipality of Anchorage uses Governmental, Proprietary, and Fiduciary Fund types. All the funds listed in this section are included in the Municipality's audited financial statements, unless otherwise noted.

The chart on page R – 2 displays the structure of all Municipal funds.

Governmental Funds

Governmental operations are supported by various funding sources and so have been grouped into the following fund-types – general fund, special revenue funds, capital projects funds, debt service funds and permanent funds. Any one fund may support various functions and all the fund's financial reports reflect relevant information for those functions.

The Anchorage Assembly approves operating budgets and appropriations of direct costs at the department level. Revenues, direct costs and IGCs are appropriated at the fund level.

Governmental Fund Basis of Accounting

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting – revenues are recognized as soon as they are both measurable and available and expenditures are generally recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property taxes, lodging and other taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual. Only the portion of special assessment receivable due within the current period is considered to be susceptible to

accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Municipality.

The basis of budgeting for the governmental funds conforms to the basis of accounting in the governmental fund financial statements, with the following exceptions:

- IGCs are budgeted as expenditures but classified under Other Financing Sources / Uses in the financial statements.
- Contributions to Other Funds are budgeted as expenditures but classified as Transfers to Other Funds under Other Financing Sources / Uses in the financial statements.
- Contributions from Other Funds are budgeted as revenues but classified as Transfers from Other Funds under Other Financing Sources / Uses in the financial statements.
- The taxes collected for, and then transferred to the Anchorage School District (ASD) are not included in the GGOB but are included as Tax revenue and Education expense in the financial statements under Areawide Service Area. ASD presents its own budget to the Assembly for appropriation, has separate audited financial statements and is included as a component unit in the financial statements.
- Municipal Utilities Service Assessment (MUSA) and Municipal Enterprise Service Assessment (MESA) are budgeted as revenues but classified as Transfers from Other Funds under Other Financing Sources / Uses in the financial statements.
- Bond refunding is not budgeted but is included in the Other Financing Sources / Uses in the financial statements.
- PERS on-behalf payments made by the State of Alaska are not budgeted but are included in the financial statements. The on-behalf payments are not cash transactions and there is no impact or cost to the taxpayers associated with these transactions.

Following are descriptions of the governmental fund-types and funds:

General Fund

The Municipality uses one general fund to account for all financial resources except those that are required to be accounted for in another fund. Property taxes are the primary funding source of the General Fund. The appropriation of this fund's annual operating budget is included in the GGOB, unless otherwise noted.

The service area concept provides for taxpayers in different taxing districts to pay only for those services they agree to receive, and each of these service areas requires a separate annual operating budget appropriation and separate budgetary accounting.

For management accounting and reporting, the general fund is subdivided into separate sub-funds for each of the municipal service areas, per AMC 27.30.

Five Major Sub-Funds of the Municipal General Fund:

101 – Areawide

(AMC 27.40) The following powers may be exercised on an areawide basis and are accounted for in this fund: animal control; assessment and collection; education; fireworks control; health and environmental protection; library; mass transit; planning, platting and zoning; taxicab and limousine regulation; regulation of entry upon and use of municipal rights-of-way; parking; civic, convention, sports, performing and visual arts center and urban redevelopment and beautification; and general powers granted to all environmental protection; library; mass transit; planning, platting and zoning; taxicab and limousine regulation; regulation of entry upon and use of municipal rights-of-way; parking; civic, convention, sports, performing and visual arts center and urban redevelopment and beautification; and general powers granted to all municipalities under AS 29.35 or assumed on an areawide basis by the former Greater Anchorage Area Borough under the provisions of AS 29.35.

131 – Anchorage Fire Service Area

(AMC 27.30.050) Accounts for fire protection in this service area that includes areas formerly known as the City of Anchorage, the Eagle River Service Area, the Glenn Heights Area and the Bear Valley Fire Service Area but not including any portion of the Powder Reserve Tract A.

141 – Anchorage Roads and Drainage Service Area (ARDSA)

(AMC 27.30.100) Accounts for roads and maintenance in this service area that includes areas formerly known as the City of Anchorage, Service Area 35 of the Greater Anchorage Area Borough, and the Glenn Heights Area.

151 – Anchorage Metropolitan Police Service Area (AMPSA)

(AMC 27.30.135) Accounts for police protection services in this service area that includes areas formerly known as the City of Anchorage, the Spenard Service Area of the Greater Anchorage Area Borough, the Muldoon-Sand Lake Area, the Dimond Industrial Park Area, the Oceanview-Klatt Area, the Basher Area and a portion of the Far North Bicentennial Park, the Southeast Midtown Area, Independence Park and surrounding area, Section 16 except Boling Subdivision, the Eagle River-Chugiak Area and all other areas of the municipality north of McHugh Creek..

161 – Anchorage Parks and Recreation

(AMC 27.30.080) Accounts for park and recreation services in the area that includes areas formerly known as the City of Anchorage, Service Area 30 of the Greater Anchorage Borough and the Glenn Heights Area.

Lesser Service Area Sub-funds of the Municipal General Fund:

102 – Former City

No budget activity. Minimum activity reported in financial reports.

- 104 – Chugiak Fire Service Area
(AMC 27.30.060) Accounts for fire protection in within the service area. Mill rate not to exceed 1.00 mill in any calendar year. See Appendix K.
- 105 – Glenn Alps Service Area
(AMC 27.30.190) Accounts for all those services formerly authorized to be performed in the City or Glen Alps. Mill rate not to exceed 2.75 mills in any calendar year.
- 106 – Girdwood Valley Service Area (GVSA)
(AMC 27.30.020) Accounts for street construction and maintenance, solid waste collection, fire protection and parks and recreation within the service area. Mill rate not to exceed 6.0 mills in any calendar year. See Appendix L.
- 108 – Former Borough
No budget activity. Minimum activity reported in financial reports.
- 162 – Eagle River-Chugiak Park and Recreational Service Area (ERCPRSA)
(AMC 27.30.090) Accounts for park and recreational services within the service area. Mill rate not to exceed 1.0 mills in any calendar year. See Appendix N.
- 181 – Anchorage Building Safety Service Area (ABSSA)
(AMC 27.30.040) Accounts for building safety services within the service area supported by building inspection and plan review revenues.

Limited Service Area Sub-Funds of the Municipal General Fund:

- 111 – Birchtree/Elmore Limited Road Service Area
(AMC 27.30.290) Accounts for limited road maintenance and repair within the service area. Mill rate not to exceed 1.50 mills in any calendar year.
- 112 – Section 6/Campbell Airstrip Limited Road Service Area
(AMC 27.30.300) Accounts for limited road maintenance and repair within the service area. Mill rate not to exceed 1.50 mills in any calendar year.
- 113 – Valli Vue Estates Limited Road Service Area
(AMC 27.30.310) Accounts for limited road maintenance and repair within the service area. Mill rate not to exceed 1.40 mills in any calendar year.
- 114 – Skyranch Estates Limited Road Service Area
(AMC 27.30.320) Accounts for limited road service maintenance and repair within the service area. Mill rate not to exceed 1.30 mills in any calendar year.
- 115 – Upper Grover Limited Road Service Area
(AMC 27.30.340) Accounts for limited road service maintenance and repair within the service area. Mill rate not to exceed 1.00 mill in any calendar year.
- 116 – Raven Woods/Bubbling Brook Limited Road Service Area
(AMC 27.30.350) Accounts for limited road service maintenance and repair within the service area. Mill rate not to exceed 1.50 mills in any calendar year.

- 117 – Mountain Park Estates Limited Road Service Area
(AMC 27.30.330) Accounts for limited road maintenance and repair within the service area. Mill rate not to exceed 1.00 mill in any calendar year.
- 118 – Mountain Park/Robin Hill Limited Road Service Area
(AMC 27.30.360) Accounts for limited road maintenance and repair within the service area. Mill rate not to exceed 1.30 mills in any calendar year.
- 119 – Chugiak, Birchwood, Eagle River Rural Road Service Area (CBERRRSA)
(AMC 27.30.215) Accounts for limited 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. Mill rate not to 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. See Appendix M.
- 121 – Eaglewood Contributing Road Service Area
(AMC 27.30.550) Accounts for maintenance of roads common to the CBERRRSA within the service area. Mill rate not to exceed 20% of the CBERRRSA mill rate in any calendar year.
- 122 – Gateway Contributing Road Service Area
(AMC 27.30.540) Accounts for maintenance of roads common to the CBERRRSA within the service area. Mill rate not to exceed 15% of the CBERRRSA mill rate in any calendar year.
- 123 – Lakehill Limited Road Service Area
(AMC 27.30.600) Accounts for limited maintenance of roads within the service area. Mill rate not to exceed 1.50 mills in any calendar year.
- 124 – Totem Limited Road Service Area
(AMC 27.30.610) Accounts for limited maintenance of roads within the service area. Mill rate not to exceed 1.50 mills in any calendar year.
- 125 – Paradise Valley South Limited Road Service Area
(AMC 27.30.640) Accounts for limited maintenance of roads within the service area. Mill rate not to exceed 1.00 mill in any calendar year.
- 126 – SRW Homeowner's Limited Road Service Area
(AMC 27.30.650) Accounts for limited road service maintenance and repair within the service area. Mill rate not to exceed 1.50 mills in any calendar year.

- 129 – Eagle River Street Light Service Area
(AMC 27.30.560) Accounts for maintenance and operation of streetlights within the service area. Mill rate not to exceed 0.50 mill in any calendar year.
- 142 – Talus West Limited Road Service Area
(AMC 27.30.200) Accounts for limited road maintenance within the service area. Mill rate not to exceed 1.30 mills in any calendar year.
- 143 – Upper O'Malley Limited Road Service Area
(AMC 27.30.210) Accounts for limited road maintenance within the service area. Mill rate not to exceed 2.00 mills in any calendar year.
- 144 – Bear Valley Limited Road Service Area
(AMC 27.30.370) Accounts for maintenance of roads and snow plowing within the service area. Mill rate not to exceed 1.50 mills in any calendar year.
- 145 – Rabbit Creek View and Rabbit Creek Heights Limited Road Service Area
(AMC 27.30.240) Accounts for limited road service maintenance and repair within the service area. Mill rate not to exceed 2.50 mills in any calendar year.
- 146 – Villages Scenic Parkway Limited Road Service Area
(AMC 27.30.390) Accounts for maintenance of roads, snow plowing and sanding within the service area. Mill rate not to exceed 1.00 mill in any calendar year.
- 147 – Sequoia Estates Limited Road Service Area
(AMC 27.30.380) Accounts for street lighting and maintenance of roads and drainage within the service area. Mill rate not to exceed 1.50 in any calendar year.
- 148 – Rockhill Limited Road Service Area
(AMC 27.30.590) Accounts for road maintenance within the service area. Mill rate not to exceed 1.50 mills in any calendar year.
- 149 – South Goldenview Area Rural Road Service Area
(AMC 27.30.280) Accounts for capital improvements for roads and drainage and the maintenance thereof provided within and over road rights-of-way in the service area with no more than 1.20 designated for road and drainage maintenance and no more than 0.60 designated for capital improvements in any calendar year.

Non Service Area Sub-Funds of the Municipal General Fund:

- 191 – Public Finance and Investment Fund
Financial resources in this fund account for the management of the Municipality's debt and investment portfolios.
- 213 – Police/Fire Retirees Medical Administration
(AMC 3.87) Financial resources in this fund may be used only for the administration of the Police and Fire Retirees' Medical Liability. The fund is treated as a sub-fund of the General fund for financial statement presentation. The appropriation of this fund's annual operating budget is included as a section with the GGOB. See Appendix P.

Special Revenue Funds

These funds are used to account for the proceeds from specific revenue sources that are legally restricted to expenditure for specified purposes.

202 – Convention Center Operating Reserve

Financial resources in this fund may be used only for the bonded debt service or lease payments, carrying costs, and operation, and/or maintenance of the convention center. This fund is included in, and appropriated with, the GGOB and is subject to supplemental appropriations.

221 – Heritage Land Bank

(AMC 25.40.035) Financial resources in this fund may be used for the Heritage Land Bank purpose: the acquisition, inventory, management, withdraw, transfer and disposal of municipal land which has not been dedicated or transferred to a specific municipal agency for one or more municipal uses. A portion of the Heritage Land Bank operating fund accounts may be appropriated annually for management of the Heritage Land Bank and the land in the Heritage Land Bank inventory, to fulfill the purpose and mission of the Heritage Land Bank. This fund is included in, and appropriated with, the GGOB and is subject to supplemental appropriations.

231 – State Grants and Federal Grants Passed Through the State Fund

Financial resources in this fund may be used only in accordance with the individual state grant agreements. This fund has carryover budgets, based on appropriations.

241 – Federal Grants Fund

Financial resources in this fund may be used only in accordance with the individual federal grant agreements. This fund has carryover budgets, based on appropriations.

245 – 49th State Angel Fund (49SAF)

Financial resources in this fund may be used only in accordance with the State Small Business Credit Initiative Act of 2010. Appropriated with AR 2012-42 and is subject to supplemental appropriations.

257 – Federal/State Fines and Forfeitures Fund

Accounts for monies seized or confiscated by the Police Department in the course of criminal investigations. These resources may be used only to supplement special investigation costs not to supplant the operating budget. This fund has carryover budgets, based on appropriations.

261 – Miscellaneous Operational Grants Fund

Accounts for the use of miscellaneous restricted contributions and donations from non-state and non-federal entities. This fund includes the donation for the Tri-Centennial Celebration, which previously made up the entire former Fund 257. These resources may be used only in accordance with the grantor agreements. This fund has carryover budgets, based on appropriations.

- 271 – Public Services Special Assessment District
Accounts for the special assessment collections from the Downtown Improvement District, Special Assessment District IS97 to be used only for special services approved through the special assessment process. The budget for this fund is appropriated annually, with two appropriations; the first is based on an estimate of the budget year assessment and is included as a section with the GGOB appropriation and the second is true-up to the actual assessments for the year and is presented as a supplemental appropriation.
- 313 – Police and Fire Retiree Medical Liability Pre-Funding
(AMC 3.88) Financial resources in this fund may be used only to reduce the subject liability. This fund was established in 1995 with the sole purpose of pre-funding the Police/Fire Retiree Liability by 2014 (now 2021). Police and Fire Departments make contributions to this fund. This fund holds and manages the Municipal investments. The annual budgets for investment fees and contribution to fund 713-Police and Fire Retirees Medical Trust are appropriated as a section with the GGOB and are subject to supplemental appropriation. See Appendix P.
- 899 – Special Assessment Bond Redemption
Financial resources in this fund may be used only for redemption of Special Assessment District Bonds. Separate sub-ledger accounting is required for receipts and disbursements related to each bond.

Capital Projects Funds

These funds account for financial resources used for activities related to the acquisition, maintenance, and improvement of major capital facilities or city assets, other than those financed by proprietary funds and trust funds. The majority of the Municipality's capital funds correspond to respective service area (SA) sub-funds of the operating general fund. These funds have carryover project budgets, based on appropriations.

- 401 – Areawide General Capital Improvement Projects
Accounts for general government capital projects not accounted for in other funds.
- 404 – Chugiak Fire SA Capital Improvement Projects
- 406 – Girdwood Valley SA Capital Improvement Projects
- 409 – Miscellaneous Capital Projects Pass-Thru
Accounts for capital improvement projects for out-of-service area roads and drainage, gas lines and pass-thru grants.
- 419 – Chugiak, Birchwood, Eagle River Rural Roads SA Capital Improvement Projects
- 420 – Chugiak, Birchwood, Eagle River Other Capital Improvement Projects
- 421 – Heritage Land Bank Capital Improvement Projects
Accounts for capital improvement projects recommended by the Board of Heritage Land Bank and approved by the Assembly.
- 431 – Anchorage Fire SA Capital Improvement Projects

- 441 – Anchorage Roads and Drainage SA Capital Improvement Projects
- 451 – Anchorage Police SA Capital Improvement Projects
- 461 – Anchorage Bowl Parks and Recreation SA Capital Improvement Projects
- 462 – Eagle River/Chugiak Parks and Recreation SA Capital Improvement Projects
- 485 – Public Transportation Capital Improvement Projects
Accounts for capital improvement projects for transit facilities and equipment.
- 740 – Historic Preservation
(AMC 6.100) Funding in the historic preservation project fund are dedicated to financing historic preservation projects.

Debt Service Funds

Used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

- 266 – Jail Revenue Bond Fund
Accounts for debt service on jail revenue bonds and the lease revenue from the jail used to fund the debt service. This fund is appropriated as a section with the GGOB and is subject to supplemental appropriations.
- 301 – Anchorage Center for the Performing Arts (ACPA) Surcharge Revenue Bond
Accounts for the performing arts center surcharge revenue and debt service on the roof repair loan. This fund is included in, and appropriated with, the GGOB and is subject to supplemental appropriations.
- 997 – CIVICVentures Bond Fund
Accounts for the accumulation of lodging revenue transfers and investment earnings and debt service on the convention and civic revenue bonds.

Permanent Funds

Used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

- 720 – Cemetery Trust Fund
(AMC 25.60.100) The contributions and earnings of this fund must be used for the perpetual maintenance of the Anchorage Memorial Park Cemetery and columbarium.
- 730 – Municipality of Anchorage (non-Expendable) Trust
(AMC 6.50.060) Established to hold the Anchorage Telephone Utility (ATU) Revenue Bond Reserve Investment and any other amounts the assembly may deposit. May be used to (1) supplement the MOA Trust Fund annual dividend, (2) provide a reduction in property taxes, (3) retire municipal debt or (4) contribute additional funds into the MOA Trust Fund corpus. The budget for this fund is appropriated annually, typically with two appropriations; the first is for the

contribution to general government and is included as a section with the GGOB and the second is for the annual financial management and support services that are presented as a supplemental appropriation.

Proprietary Funds

Two different types of proprietary funds are used: enterprise funds and internal service funds.

The governmental fund financial statements are reported using the accrual basis of accounting – revenues are recognized when they are earned and measurable and expenses are recognized in the period incurred, if measurable. The basis of budgeting for the proprietary funds conforms to the basis of accounting, with the following exception:

- Municipal Utilities Service Assessment (MUSA) and Municipal Enterprise Service Assessment (MESA) are budgeted as expenditures but classified as Transfers to Other Funds in the combining financial statements.

Enterprise funds

Account for business-type activities of the Municipality. All operating and capital enterprise funds are subject to appropriation.

53X – Municipal Light and Power

Accounts for the operations of the Municipal owned electric utility.

54X – Water Utility

Accounts for the operations of the Municipal owned Anchorage Water Utility.

55X – Wastewater Utility

Accounts for the operations of the Municipal owned Anchorage Wastewater Utility.

56X – Refuse Utility

Accounts for Municipal-owned refuse collection services.

56Y – Solid Waste

Accounts for Municipal-owned landfill and transfer station operations.

57X – Port of Anchorage

Accounts for the operations of the Municipal owned port.

58X – Merrill Field Municipal Airport

Accounts for the operations of Merrill Field, a Municipal-owned airport.

Internal Service Funds

Activities that provide service to Municipal organizations without either a profit or loss.

602 – General Liability / Workers Compensation

Accounts for money received from other Municipal funds to pay for the costs of premiums, professional services, processing fees and claim settlements related to general liability and workers' compensation claims against the Municipality. This fund is included in, and appropriated with, the GGOB, and is financed by IGCs that are also budgeted in the GGOB.

603 – Medical/Dental Self Insurance

Accounts for money received from other Municipal funds to pay for the costs of premiums, professional services and processing fees and claims related to medical, dental and life insurance of Municipal employees and their eligible dependents. This fund is not appropriated, but is funded by direct cost expenditures included in the GGOB under each department's salaries and benefits budget.

604 – Unemployment Compensation

Accounts for money received from other Municipal funds to pay for the reimbursement to the State of Alaska for unemployment compensation claims of former Municipal employees. This fund is not appropriated, but is funded by direct cost expenditures included in the GGOB under each department's salaries and benefits budget.

601 – Equipment Maintenance Operations

Accounts for the day-to-day operational management and maintenance of general government equipment and vehicles. This fund is not appropriated, but is funded by direct cost expenditures included in the GGOB under each department's Contractual/Other Services budget.

606 – Equipment Maintenance Capital

Accounts for the purchases of vehicles and other equipment. This fund was established to account separately for resources included in the Municipal capital budget; i.e. that do not lapse at year-end. However, the financial data is combined with that of fund 601 for financial statement presentation. This fund has carryover budgets, based on appropriations.

607 – Information Technology Operations

Accounts for the day-to-day operational data processing services to Municipal organizations. This fund is included in, and appropriated with, the GGOB, and is financed by IGCs that are also budgeted in the GGOB.

608 – Information Technology Capital

Accounts for the purchases of data processing equipment and software. This fund was established to account separately for resources included in the Municipal capital budget; i.e. that do not lapse at year-end. However, the financial data is combined with that of fund 607 for financial statement presentation. This fund has carryover budgets, based on appropriations.

Fiduciary Funds

Report assets held in a trustee or agency capacity, for the benefit of parties outside the government, and therefore cannot be used to support Municipal programs.

713 – Police and Fire Retiree Medical Expendable Trust

(AMC 3.87) Investments and income of this fund must be used for the police and fire retirees' medical liability and actual expense incurred on their behalf.

Payments are either disbursed to the participant, or are held in trust in individual participant accounts for future disbursement. See Appendix P.

715 – Police and Fire Retirement (non-expendable Pension) Trust

Investments and income of this fund must be used to administer and fund police and fire retirees' pensions for Plans I, II and III. Note that proprietary –type accounting is used for pension trusts but in all other respects this trust is treated like a general government activity. The operating budget for the administration of the system is appropriated as a section with the GGOB. The management of the Trust Fund and payment of retirement benefits are not budgeted or appropriated. See Appendix O.

Component Units

Component units are entities for which the Municipality is financially accountable. They are included in the Municipality's government-wide financial statements because of the significance of their operational or financial relationships with the primary government. Complete financial statements of individual component units can be obtained from their respective administrative offices.

Anchorage School District (ASD)

Responsible for elementary and secondary education within Anchorage. Members of the School Board are elected by the voters; however, the ASD is fiscally dependent upon the primary government because the Assembly approves the total budget of the ASD, levies the necessary taxes, and approves the borrowing of money and the issuance of bonds. ASD is included in the financial reports as a discretely presented component unit. The budget for the ASD is appropriated by the assembly.

Anchorage Community Development Authority (ACDA)

(AMC 25.35) A legally separate public corporation created to provide services to the general public by: operating and managing on-street and off-street parking; purchasing, developing, and selling properties and other economic development activities. The voting majority of the board is composed of members appointed by the Mayor. ACDA is included in the financial reports as a discretely presented component unit. The authority shall prepare and submit an annual budget to the mayor and the assembly prior to approval of the municipality's annual budget.

Alaska Center for Performing Arts, Inc. (ACPA)

A legally separate non-profit entity that provides facility management services for the Municipality and operates, manages, maintains and promotes the performing arts center, which is owned by the primary government. ACPA is included in the financial reports as a discretely presented component unit.

CIVICVentures

A legally separate non-profit corporation created to finance and construct a new convention center for Anchorage, as well as upgrades and improvements to the existing Egan Center. The five-member board of directors is appointed by the Mayor. CIVICVentures is included in the financial reports as a blended component unit, and is reported as a debt service fund and as a capital projects fund.

Appendix S

Financial Policies

The Municipality of Anchorage has established financial policies to achieve and maintain a positive long term financial condition. These policies provide guidelines for current activities as well as future programs.

Revenue

The City will try to maintain a diversified and stable revenue system to shelter it from unforeseeable short-run fluctuations in any one-revenue source.

The City will estimate its annual revenues by an objective, analytical process, wherever practical. The City will project revenues for the next year and will update this projection annually. Each existing and potential revenue source will be reexamined annually.

Each year the City will recalculate the full costs of activities supported by user fees to identify the impact of inflation and other cost increases.

Tax Cap

In October 1983 the voters of Anchorage passed an amendment to the Charter known as the Tax Cap. While some think of it as a property tax cap, it actually sets a limit on how much all taxes can increase from one year to the next. Other taxes collected by the Municipality that are under the Tax Cap are on automobile registration, tobacco, aircraft registration and motor vehicle rental.

Proponents of the Tax Cap recognized that it was important that taxes be allowed to increase (although controlled) in order to keep up with demands of a growing community. Growth in taxes under the Tax Cap is permitted by annual adjustments for inflation, population, and new investment in the community. Voters also increase the Tax Cap when they approve general obligation bonds and corresponding increased operations and maintenance costs, both of which is disclosed in the bond proposition on the ballot.

In 2003 a substantive change to the Tax Cap was made by the Mayor and Assembly when they decided to exclude payments by municipal-owned utilities and enterprises. From 1984 to 2003, utility and enterprise payments were considered payment-in-lieu-of-taxes (PILT) and accordingly, fell under the Tax Cap. From a property taxpayer point of view, the practical effect of this was that these payments reduced the amount of property taxes that could be collected – every dollar paid in a PILT meant a dollar less in property taxes could be collected.

The 2003 change excluded PILT payments from the Tax Cap. At the same time, the Mayor and Assembly substantially increased how much utilities and enterprises were to pay in PILTs. Since property tax PILT revenue was no longer included in the total tax calculation, municipal government got more money to spend.

This prompted a citizen initiative (Proposition 9) in 2009 to return the Tax Cap to how it originally worked. The initiative passed with 60% of the vote and PILT payments were again included in the Tax Cap's calculation. This change, which is being phased over three years, is expected to result in approximately \$18 million in property tax savings annually when it is fully implemented in 2012.

Spending Limit

The Municipal Code also includes a Spending Limit that restricts expenditure increases to inflation, population, and voter/legally mandated services. Both the Tax Cap and the Spending Limit were effective with the 1984 budget.

Intra-governmental Charges (IGCs)

These are charges for services provided by one Municipal organization to another. For example, the Maintenance and Operations Division maintains all general government buildings. Maintenance costs are budgeted in Maintenance and Operations and charged out to the appropriate users. By using an intra-governmental charge system, the full cost of a program – including overhead – is associated to a program. This system also allows general government departments/agencies to properly charge Municipal utilities, grants, and capital projects for services provided.

Capital Improvement

The Capital Improvement Program (CIP) is a six-year plan that guides the Municipality's capital improvement plans into the future. Each year it is updated and serves as the starting point for developing the current year's Capital Improvement Budget (CIB).

Municipal departments prepare a comprehensive list of capital projects that are needed. Projects for this "Needs List" are proposed to departments by staff, the Municipal Administration, and others such as community councils, municipal boards and commissions, and Assembly members. Projects are scored against criteria such as the project's impact on safety, economic benefits, level of public support, if it is mandated, readiness and technical feasibility.

To gather community input, each spring OMB sends out a survey to community councils to solicit their comments on CIP projects as well as ideas to new projects in their area. This feedback is integrated into the prioritization process along with the other criteria.

Investment

It is the policy of the Municipality to invest public funds in a manner that provides the highest investment return consistent with preservation of capital while meeting the daily cash flow demands of the Municipality. Investment decisions shall be guided by the Municipal Code, the Operating Policy and Procedures for investment of Municipal funds, as modified from time to time by the Chief Fiscal Officer.

The Chief Fiscal Officer shall obtain the services of such investment managers, advisors, custodians and other professionals as are reasonably prudent and necessary to manage and invest all Municipal Funds. The Chief Fiscal Officer shall solicit input

from the Investment Advisory Commission members prior to the final selection of any service providers. For an investment manager, advisor, custodian or other professionals contracted under the provisions of this section, assembly approval is not required. The Chief Fiscal Officer shall report within 90 days to the Assembly, by Assembly Informational Memorandum, on contracts entered into pursuant to the provisions of this section including, but not limited to, the duties to be performed by the contractor and the compensation paid.

Debt

No general obligation bonded indebtedness may be incurred unless authorized by the assembly and ratified by a majority vote of those in the municipality voting on the question, except that refunding bonds may be issued without an election. General obligation debt of service areas must receive dual majority votes.

Tax, revenue and grant anticipation notes shall be repaid within 12 months from their date of issuance. When the taxes, revenues or grants anticipated are not received within this time, the assembly may renew the notes for a period not to exceed six months.

Reporting and Audit

The Chief Fiscal Officer shall submit to the Assembly on an annual basis reports addressing portfolio performance and compliance. The annual report shall address the use of investment consultants and external money managers, the use of derivatives, securities lending activities and bank lines of credit. The report shall also include compliance with the requirements regarding portfolio diversifications, maximum holdings by type of authorized investment, and portfolio performance compared with portfolio benchmarks.

The Assembly shall provide for an annual independent audit of all municipal accounts by a certified public accountant. The audit shall be completed within 90 days following the close of the fiscal year.

Fund Balance

Fund balance is generally defined as the difference between a fund's assets and liabilities. The Municipality has a policy to maintain a certain amount of fund balance to be used as reserves.

Two fund balance reserves are calculated during the First Quarter Budget Amendment process:

The largest reserve (usually about \$26 million) is designated for bond rating purposes and consists of 8.25% of each of the five major fund's prior year revenue. This reserve assures bond rating agencies that if there was a substantial decrease in the Municipality's revenue, funding still would be available to pay debt service (this reserve

helps keep down the interest rate of the Municipality has to pay when it borrows funds through issuing bonds).

The second reserve is for operating emergencies and consists of between 2 to 3 percent of prior year revenue. This reserve provides funding to pay unanticipated obligations such as legal settlements. This reserve usually is between \$6 and \$9 million in total.

Budget

It is illegal to expend money outside of the budget. AMC (Anchorage Municipal Code) 6.30.050 prohibits any contract, agreement, or other obligation, ordinance, resolution or order involving the expenditure of money, unless the Chief Fiscal Officer has certified that the money required for the expenditure has been appropriated for that purpose. AMC 6.10.040 requires the Mayor to submit a proposed budget for the next fiscal year to the Assembly at least 90 days before the end of the current fiscal year. And, AMC 6.10.070 allows the Assembly to increase or decrease, add or delete; but requires them to approve a budget and appropriate the necessary resources by ordinance at least 21 days prior to the end of the current fiscal year; otherwise, the Mayor's proposal becomes the budget and appropriation.

Accountability for Results

In early 2010 the Mayor launched an initiative by which departments report on the effectiveness of programs. This accountability initiative, called "Anchorage: Performance. Value. Results. (PVR)" reports the "return on investment" to citizens of their tax dollars in terms of services. It is not sufficient for programs to spend money and do a lot of activities without accountability to the results from that spending.

To report results to citizens, the budget includes the PVR framework for each department and division that includes its purpose, services, goals, performance measures and data that communicates how well the goals are being achieved. Performance measure information will be updated throughout the year and can be viewed at www.muni.org.

Transparency in Budgeting

In addition to the inclusion of reports about program performance measurement, the 2012 operating budget also provides significant detail on spending at the department and division level. This includes detailed breakdown on the components of salary and benefit spending (over 50 percent of the entire budget); details regarding the revenue that supports each department and division, and the types of positions that deliver services.

Balanced Budget

The Municipality is required to have a balanced budget, a budget in which revenues and financing sources and expenditures and financing uses are equal. The Municipality may use fund balance to supplement unexpected revenue shortfall when needed, in order to achieve a balanced budget. The mayor shall notify the assembly in writing within 21 days if a projected revenue shortfall in aggregate exceeds one percent of the total general government operating budget. The notice shall be delivered to the municipal clerk's office for distribution to the assembly.

Reports

The chief fiscal officer shall provide financial reporting on a monthly basis to the assembly, with an executive summary. On a quarterly basis, monthly reporting shall include the additional reporting requested by the assembly. Reported positive or negative variances of five percent or more for expenses by department and one percent or more for revenues in aggregate for all general government funds within the one hundred series of accounts shall be noted with specificity in the executive summary.

Six Year Plan

At least 90 days before the end of the fiscal year of the Municipality, the Mayor shall submit to the assembly, with recommendations from the planning commission, a six-year program for public services, fiscal policies and capital improvements of the municipality. The program shall include estimates of the effect of capital improvement projects on maintenance, operation and personnel costs. The assembly shall hold at least one public hearing on the six-year program prior to adoption.

Budget Procedures

The Municipality’s budget process primarily focuses on general government’s annual operating budget that includes day-to-day operation of programs and services—from paying police officer salaries, to maintaining parks, and plowing snow. The primary source of the revenue required to support the operating budget comes from property taxes. The Municipality’s fiscal year runs from January to December.

The capital budget pays for improvements to the Municipality’s infrastructure, such as roads, park construction and repairs, and new fire stations. The main source of funds to pay for these improvements is voter-approved bonds, which are a financing tool similar to a loan that is paid back over time with interest. Payment on these bond proceeds is called debt service and is included in the operating budget.

In addition to general government, the Municipality also operates five Enterprises—Anchorage Water and Wastewater, Municipal Light and Power, Solid Waste Services, Port of Anchorage, and Merrill Field. Each enterprise has its own operating and capital budget, which is paid for by ratepayers or users of their respective services.

The Anchorage School District budget year runs from July 1 to June 30. The budget is proposed by the School Superintendent and approved by the School Board. In the spring it is submitted to the Anchorage Assembly for their approval, which is limited to approval of the budget’s bottom line.

Budget Planning and Timeline

The Mayor is required to submit the proposed operating and capital budgets to the Assembly 90 days prior to the end of the fiscal year (October 2nd).

Prior to that (120 days prior to the end of the fiscal year), the Administration is required to provide preliminary information on the budget, revenues, Tax Cap, and major reorganizations.

Preparation of the budget starts much earlier. A preliminary planning phase gets underway in the summer. The Office of Management and Budget (OMB) works with departments to review their programs and responsibilities, assess what is being done during the current year, and begins to make plans for the next budget year. Some considerations during this phase are:

Key Dates in Budget Process	
Summer	Preliminary budget information gathered
September 1	Preliminary budget information to Assembly
October 2	Mayor proposed budgets
October, November	Assembly deliberates, holds public hearings
December	Deadline for Assembly approval
April	Finalize budget revisions, set property tax rates
May 15	Property tax bills in mail

- Contractually obligated increases, such as labor contracts and health insurance premiums;
- New facilities that will open during the next fiscal year that will require staff, supplies, and other operating expenses;
- New responsibilities or programs required by Federal, State or local laws;
- New or changed programs to meet community needs or interests;
- Programs that can be eliminated because they are ineffective, no longer required, or desired; and/or
- Efficiencies and savings that can be achieved through organizational management.

During this period of time OMB also reviews projected revenue information in order to get an early indication of the Municipality's ability to afford current spending levels and/or the potential need for reductions.

Balanced Budget

The Municipality is required to have a balanced budget, a budget in which revenues and financing sources and expenditures and financing uses are equal. This, coupled with the Tax Cap, requires an early estimate of both expenditures and revenues. Once this revenue/spending assessment is made, each department is given guidance for developing its preliminary budget proposal. Such guidance includes general direction from the Mayor regarding his/her program priorities.

Mayor Proposes/Assembly Appropriates

The Mayor submits the proposed operating and capital budgets to the Assembly in early October, the Assembly holds work sessions at which the Administration and department directors discuss the Mayor's proposal.

Public Comment

The budget books are put on the Office and Management and Budget's website, as well as the Mayor's website, for the public to view. The Assembly is required to hold two public hearings on the Mayor's proposed budget, which is the official opportunity for the public to comment and the Assembly to consider amendments. These are usually held during October and November. The Anchorage Charter requires that the Assembly approve the budget 21 days before the end of the year (by December 10). But if for some reason they still have not reached agreement, the Charter was amended to allow the Assembly and Mayor to continue to work. Once agreement is reached, that budget is known as the "Approved Budget."

Veto Process

The Mayor has the ability to strike or reduce an appropriation in the operating or capital budget within 7 days from Assembly action. The Assembly then has 21 days from the Mayor's veto to override his/her action and must have a super-majority of 8 Assembly members to be successful. If a veto is sustained, the Mayor's action is implemented.

First Quarter Budget Amendments

During the spring following the budget's approval, the Administration finalizes the prior year's spending numbers and firms up revenues available to support the current year budget. This process, called "First Quarter Budget Amendments," takes place in April and May and results in the Assembly's approval of a "Revised Budget."

Unlike the proposed budget process in the fall that requires two public hearings; the first quarter amendment process only requires one public hearing and usually is at the Assembly meeting that follows the Mayor's introduction of the proposed amendments.

Based on these final spending decisions, the Assembly then sets the tax rates for each service area. The Municipality's schedule is to mail tax bills on May 15th with the first half payment due June 15th (state law requires that taxpayers be provided a minimum period of 30 days before taxes are due).

Budget Monitoring and Controls

The budget allocates spending among seven categories: personnel (salaries and benefits); supplies; travel; other services (contracts, utilities, leases); debt service; depreciation; and capital outlay. Each department is responsible for monitoring their budget. Actual expenditures may not exceed budget appropriations at the individual fund and department (agency) levels. Departments also monitor their program performance measures throughout the year to ascertain if goals are being met. Spending reports are provided monthly to the Assembly which reflect labor, overtime, and non labor expenditures compared to budget. Quarterly, the spending reports, contributions to non profit organizations, and travel are provided to the Assembly.

Appropriation Amendments

The Assembly may, by resolution, reduce or increase appropriations during the course of the fiscal year. A resolution reducing or increasing appropriations by an amount in excess of \$100,000 shall be subject to a public hearing.

The Budget Office is authorized to transfer budget amounts within departments. Revisions that change the total expenditures of any department, or fund, must be approved by the Assembly. Appropriations that are not expended, encumbered, or designated to be carried over, lapse at the end of the fiscal year.

2012 Approved General Government Operating Budget
2012
General Government
Operating Budget Preparation Calendar

Action	Due Date
OMB estimates benefits rates and costs	May 27
Department deadline for proposed reorgs submitted to Employee Relations	May 31
OMB coordinates with departments for IGC data	June 1
Analyst/department training	June 1-3
OMB distributes 2012 budget preparation guidance to departments	June 10
OMB personnel rollover to 2012 in TeamBudget	June 6 - 15
Departments review 2012 rollover in TeamBudget	June 16-24
Departments submit 2012 IGCs and program revenue	June 24
Departments submit 2012 budget proposals to OMB	July 8
Mayor meets with departments to review proposed 2012 scenarios and 2011 2Q PVR data	July 13-29
Mayor makes preliminary decisions	Aug 5
Mayor finalizes decisions	Aug 12
OMB run IGCs	Aug 17
OMB delivers 120-day submission to Assembly (revenues, tax limit, service priorities and reorgs)	Sept 2
OMB prepares budget book narratives and data presentation	Aug 12-26
OMB completes General Government Operating Budget Book	Sept 16
OMB submits budget to Assembly	Sept 30
Assembly worksession(s)	Oct, Nov
Formal introduction of ordinance to Assembly	Oct 11
Public Hearing #1 on Proposed Budget (proposed date)	Oct 25
Public Hearing #2 on Proposed Budget (proposed date)	Nov 8
Assembly adoption of operating budget (proposed date)	Nov 22
OMB / IT load adopted budget into PeopleSoft	Dec 17

2012

**General Government Capital Improvement Budget
2012-2017 Capital Improvement Program
Budget Preparation Calendar**

Action	Due Date
Distribute Community Council surveys	March 15
OMB distributes initial funding guidance and priorities to depts	May 27
Community Council surveys due to OMB	June 1
Analyst/Department training on budget system	June 1-3
Departments submit changes to 2011-2016 CIP and 2017 additions	June 10
Mayor's preliminary review	June 17 - 30
Mayor's Final Decisions on CIB/CIP	July 1
Departments finalize projects in TeamBudget	July 11
Departments review proposed budget	July 20
OMB completes CIB/CIP AR, AM, AO	July 29
OMB completes Proposed CIB/CIP Book	Aug 15
OMB delivers 120-day submission to Assembly	Sept 2
Planning Department reviews CIB/CIP for recommendations to Assembly	Sept 12 - 16
OMB presents CIB/CIP to Planning & Zoning Commission for recommendations	Sept 12
OMB Submit budget to Assembly	Sept 30
Formal introduction of CIB/CIP ordinance & resolution	Oct 11
Assembly worksession(s)	Oct/Nov
Public Hearing #1 (proposed date)	Oct 25
Public Hearing #2 (proposed date)	Nov 8
Assembly adoption CIB/CIP (proposed date)	Nov 22

Submitted By: Chairman of the Assembly at
the Request of the Mayor

Prepared By: Office of Management and
Budget

For Reading: October 11, 2011

CLERK'S OFFICE

AMENDED AND APPROVED

Date: 12-6-11

Appendix T

IMMEDIATE RECONSIDERATION FAILED 12-6-11; ON 12-13-11: LINE ITEM VETO FILED: THE AMENDMENT REFERRED TO AS ANCHORAGE, ALASKA "AMENDMENT NUMBER TWO" ADDING AO 2011 - 100 as Amended \$144,607 TO THE PARKS AND RECREATION DEPARTMENT'S BUDGET; OVERRIDDEN 12-13-11

1 AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE ADOPTING AND
2 APPROPRIATING FUNDS FOR THE 2012 GENERAL GOVERNMENT OPERATING BUDGET
3 FOR THE MUNICIPALITY OF ANCHORAGE
4

5 WHEREAS, on October 25, November 8 and November 22, 2011 as duly advertised, public
6 hearings were held for the 2012 General Government Operating Budget in accordance with
7 Charter Section 13.04; and
8

9 WHEREAS, the General Government Operating Budget for 2012 is now ready for adoption and
10 appropriation of funds in accordance with Charter Section 13.05; now therefore,
11

12 THE ANCHORAGE ASSEMBLY ORDAINS:
13

14 **Section 1.** The General Government Operating Budget for 2012 is hereby adopted for the
15 Municipality of Anchorage.
16

17 **Section 2.** The direct cost amounts set forth for the 2012 fiscal year for the following operating
18 departments and/or agencies are hereby appropriated for the 2012 fiscal year:
19

20	Department/Agency	2012 Direct Cost	2012 Debt Service	2012 Total Direct Cost
21	GENERAL GOVERNMENT			\$ 2,805,056
22	Assembly	\$ 2,798,381	\$ -	\$ 2,798,384
23	Chief Fiscal Officer	635,140	-	635,140
24	Community Development	13,903,896	59,260	13,963,156
25	Employee Relations	2,189,122	-	2,189,122
26	Equal Rights Commission	715,248	-	715,248
27	Finance	11,749,633	377,754	12,127,387
28	Anchorage Fire Department	73,077,912	4,769,221	77,847,133
29	Health and Human Services	11,369,259	316,337	11,685,596
30	Information Technology	14,817,615	-	14,817,615
31	Internal Audit	577,863	-	577,863
				7,754,877
32	Library	7,704,877	-	7,704,877
33	Management and Budget	843,933	-	843,933
34	Office of the Mayor	2,179,399	-	2,179,399
35	Municipal Attorney	7,500,119	-	7,500,119
				20,124,175
36	Municipal Manager	17,948,363	1,974,299	19,922,662
37	Non-Departmental (TANS DS Fund 101)	-	381,360	381,360

1	Department/Agency	2012 Direct Cost	2012 Debt Service	2012 Total Direct Cost
				20,374,114
2	Parks and Recreation	16,761,438	3,468,069	20,229,507
				83,388,462
3	Anchorage Police Department	82,780,454	528,411	83,308,865
				21,571,959
4	Public Transportation	20,951,916	580,043	21,531,959
5	Public Works	63,415,628	44,892,379	108,308,007
6	Purchasing	1,760,416	-	1,760,416
7	Real Estate	8,012,209	-	8,012,209
				\$ 419,562,346
8	Subtotal General Government Agencies	\$ 361,692,821	\$ 57,347,133	\$ 419,039,954
9				
10	<u>POLICE AND FIRE (P&F) RETIREMENT CONTRIBUTIONS</u>			
11	Fire - P&F Medical and Trust	7,973,508	-	7,973,508
12	Police - P&F Medical and Trust	9,516,065	-	9,516,065
13	Subtotal Police and Fire Retirement	\$ 17,489,573	\$ -	\$ 17,489,573
14				
15	<u>INTERNAL SERVICE AGENCIES</u>			
16	Municipal Manager--Self Insurance	\$ 2,390,040	\$ -	\$ 2,390,040
17	Information Technology	38,814	462,913	501,727
18	Subtotal Internal Service Agencies	\$ 2,428,854	\$ 462,913	\$ 2,891,767
19				
20	<u>SPECIAL REVENUE FUNDS</u>			
21	Fund 202 Convention Ctr Reserve	\$ 12,330,090	\$ -	\$ 12,330,090
22				\$ 452,273,776
23	GRAND TOTAL GENERAL GOVERNMENT	\$ 393,941,338	\$ 57,810,046	\$ 451,751,384

25 **Section 3.** The function cost amounts set forth for the 2012 fiscal year for the following
 26 operating funds are hereby appropriated:

28	Fund No. Fund Description	2012 Function Cost	2012 Debt Service	2012 Total Function Cost
29	<u>GENERAL FUNDS</u>			
				\$ 122,886,702
30	101 Areawide General	\$ 118,503,293	\$ 4,085,221	\$ 122,588,514
31	104 Chugiak Fire SA	1,500,657	-	1,500,657
32	105 Glen Alps SA	305,489	-	305,489
33	106 Girdwood Valley SA	2,321,588	26,506	2,348,094
34	111 Birchtree/Elmore LRSA	267,748	-	267,748
35	112 Sec. 6/Campbell Airstrip LRSA	139,660	-	139,660
36	113 Valli-Vue Estates LRSA	126,387	-	126,387
37	114 Sky ranch Estates LRSA	35,169	-	35,169
38	115 Upper Grover LRSA	15,638	-	15,638
39	116 Raven Woods/Bubbling Brook LRSA	17,702	-	17,702
40	117 Mt. Park Estates LRSA	34,249	-	34,249
41	118 Mt. Park/Robin Hill RRSA	151,026	-	151,026
42	119 Chugiak/Birchwood/Eagle River RRSA	6,812,492	-	6,812,492
43	121 Eaglewood Contributing RSA	108,148	-	108,148

2012 Approved General Government Operating Budget

Ordinance to Adopt and Appropriate 2012 General Government Operating Budget

Page 3 of 4

Fund	2012	2012	2012
No. Fund Description	Function Cost	Debt Service	Total Function Cost
122 Gateway Contributing RSA	2,167	-	2,167
123 Lakehill LRSA	50,617	-	50,617
124 Totem LRSA	35,494	-	35,494
125 Paradise Valley South LRSA	12,778	-	12,778
126 SRW Homeowners LRSA	51,518	-	51,518
129 Eagle River Street Light SA	348,668	-	348,668
131 Anchorage Fire SA	60,515,635	3,947,674	64,463,309
141 Anchorage Roads & Drainage SA	25,139,666	44,892,379	70,032,045
142 Talus West LRSA	114,040	-	114,040
143 Upper O'Malley LRSA	654,999	-	654,999
144 Bear Valley LRSA	52,602	-	52,602
145 Rabbit Creek View/Heights LRSA	87,535	-	87,535
146 Villages Scenic Parkway LRSA	19,682	-	19,682
147 Sequoia Estates LRSA	23,859	-	23,859
148 Rockhill LRSA	48,654	-	48,654
149 South Goldenview Area RRSA	569,001	-	569,001
			102,558,019
151 Anchorage Metropolitan Police SA	101,950,011	528,411	102,478,422
			20,543,867
161 Anchorage Parks & Recreation SA	17,289,388	3,109,872	20,399,260
162 Eagle River/Chugiak Parks/Rec SA	2,888,968	358,197	3,247,165
181 Anchorage Building Safety SA	7,337,165	59,260	7,396,425
191 Public Finance & Investment Fund	1,596,240	-	1,596,240
			\$ 406,657,845
Subtotal General Funds	\$ 349,127,933	\$ 57,007,520	\$ 406,135,453
SPECIAL REVENUE FUNDS			
202 Convention Center Reserves	\$ 12,330,090	\$ -	\$ 12,330,090
221 Heritage Land Bank	1,373,570	-	1,373,570
Subtotal Special Revenue Funds	\$ 13,703,660	\$ -	\$ 13,703,660
DEBT SERVICE FUNDS			
301 PAC Surcharge Revenue Bond	-	339,613	339,613
Subtotal Debt Service Fund	\$ -	\$ 339,613	\$ 339,613
INTERNAL SERVICE FUNDS			
602 Self-Insurance	\$ 2,390,040	\$ -	\$ 2,390,040
607 Information Technology	38,814	462,913	501,727
Subtotal Internal Service Funds	\$ 2,428,854	\$ 462,913	\$ 2,891,767
			\$ 423,592,885
GRAND TOTAL GENERAL GOVERNMENT	\$ 365,260,447	\$ 57,810,046	\$ 423,070,493

Section 4. The amount of FOUR MILLION NINE HUNDRED THOUSAND DOLLARS (\$4,900,000) is appropriated from the MOA Trust Fund (730) as a contribution to the 2012 General Government Operating Budget, Areawide General Fund (101) as revenue appropriated in support of operations.

1 **Section 5.** The 2012 Operating Budget for the Police and Fire Retiree Medical Administration
2 Fund (213) is adopted and appropriated as supported by contributions from 2012 Police and
3 Fire Departments' General Government Operating Budgets.

- 4 - Police and Fire Retiree Medical Administration direct cost is appropriated in an amount of
- 5 ONE HUNDRED EIGHTY-TWO THOUSAND SEVENTY-NINE DOLLARS (\$182,079);
- 6 - Fund 213 function cost is appropriated in an amount of ONE HUNDRED EIGHTY-THREE
- 7 THOUSAND FIVE HUNDRED FIVE DOLLARS (\$183,505).

8
9 **Section 6.** The amount of FIVE MILLION THIRTY-THREE THOUSAND NINE HUNDRED
10 TWENTY-FIVE DOLLARS (\$5,033,925) in anticipated jail lease revenues are appropriated to
11 the Jail Lease Revenue Fund (266) for fiscal year 2012 debt service payments on Jail Revenue
12 Bonds.

13
14 **Section 7.** The amount of ONE MILLION, THIRTY-NINE THOUSAND SIX HUNDRED SIXTY-
15 FIVE DOLLARS (\$1,039,665) of anticipated assessment revenues from the Downtown
16 Improvement District, Special Assessment District ISD97, is appropriated to the Public Services
17 Special Assessment District Fund (271), for 2012 services benefiting property owners within
18 said assessment district.

19
20 **Section 8.** The 2012 Operating Budget for the Police and Fire Retiree Medical Liability Fund
21 (313) is adopted and appropriated as supported by contributions from 2012 Police and Fire
22 Departments' General Government Operating Budgets, interest revenue and fund balance.

- 23 - Police and Fire Retiree Medical Liability direct cost is appropriated in an amount of THREE
- 24 MILLION EIGHTEEN THOUSAND ONE HUNDRED TWENTY-TWO DOLLARS
- 25 (\$3,018,122);
- 26 - Fund 313 function cost is appropriated in an amount of THREE MILLION EIGHTEEN
- 27 THOUSAND ONE HUNDRED TWENTY-TWO DOLLARS (\$3,018,122);

28
29 **Section 9.** The 2012 Operating Budget for the Police and Fire Retirement System Fund (715)
30 is adopted and appropriated from anticipated investment income of the Fund as approved by
31 the Anchorage Police and Fire Retirement System Board:

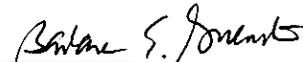
- 32 - Police and Fire Retirement Agency direct cost is appropriated in an amount of NINE
- 33 HUNDRED SEVENTEEN THOUSAND SIX HUNDRED EIGHTY DOLLARS (\$917,680);
- 34 - Fund 715 function cost is appropriated in an amount of NINE HUNDRED SEVENTY-FOUR
- 35 THOUSAND EIGHT HUNDRED SEVENTY-NINE DOLLARS (\$974,879).

36
37 **Section 10.** This ordinance shall take effect upon passage and approval by the Assembly.

38
39 PASSED AND APPROVED by the Anchorage Assembly this 6th day of December, 2011.

40
41 
42 _____
43 Chair of the Assembly

43 ATTEST:

44 
45 _____
46 Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 554-2011 as Amended

Meeting Date: October 11, 2011

1 **From: MAYOR**

2
3 **Subject: AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE**
4 **ADOPTING AND APPROPRIATING FUNDS FOR THE 2012 GENERAL**
5 **GOVERNMENT OPERATING BUDGET FOR THE MUNICIPALITY OF**
6 **ANCHORAGE**

7
8 In preparing the proposed 2012 General Government Operating Budget, the
9 Administration successfully addressed a \$15 million gap between revenue and
10 expenses while preserving current city services and improving public safety.

11
12 This challenge was met by putting each department budget under the
13 microscope to find areas where money could be saved. Prior year actual
14 spending was carefully examined to identify more appropriate budget levels
15 going forward. This truing-up of the budget means that property taxes will be
16 relatively flat (\$7 increase for every \$100,000 in assessed property valuation)
17 and brings property taxes \$1.5 million below the maximum amount allowed by
18 the Tax Limit.

19
20 Overall the proposed operating budget is \$451.8 million, a 1.9 percent increase
21 above 2011. The largest cost (55% of the budget) is \$247.2 million for employee
22 salaries and benefits, which is \$4.4 million higher than approved in the 2011
23 revised budget. The other major increase is \$6.3 million to pay debt service on
24 voter-approved bonds.

25
26 **During the December 9 Assembly meeting, the proposed operating budget**
27 **was amended with a tax-supported increase of \$522,392 bringing the 2012**
28 **Operating budget to \$452,273,776, a 2.04 percent increase above 2011.**

29
30 THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE OF
31 THE MUNICIPALITY OF ANCHORAGE ADOPTING AND APPROPRIATING
32 FUNDS FOR THE 2012 GENERAL GOVERNMENT OPERATING BUDGET FOR
33 THE MUNICIPALITY OF ANCHORAGE

34
35 Prepared by: Cheryl Frasca, Director,
36 Office of Management and Budget
37 Concur: Dennis A. Wheeler, Municipal Attorney
38 Concur: George J. Vakalis, Municipal Manager
39 Respectfully submitted: Daniel A. Sullivan, Mayor

Funding Sources

#	Department	Description	Fund	Filled Positions	Vacant Positions	Direct Costs	Non-Property Tax Revenues	IGC	Fund Balance (All GG)	Property Tax Under Charter Limit	Property Tax SAs with Max Tax Rates
1											
2		2011 Revised General Gov Operating Budget				\$ 443,211,855	\$ 166,065,343	\$ 27,334,907	\$ 8,975,843	\$ 225,307,034	\$ 15,528,727
3											
4	2012 Continuation										
5	Multiple	Labor	multi	-	-	12,354,757	-	-	569,099	11,767,212	18,446
6	Multiple	Non-Labor	multi	-	-	995,340	-	-	809,313	186,027	-
7	Multiple	Non-Labor - Debt Service	multi	-	-	6,109,632	-	-	(215,901)	6,325,599	(66)
8	Multiple	IGCs	multi	-	-	-	-	-	-	-	-
9	Multiple	Fund Balance	multi	-	-	-	-	-	(9,165,532)	8,958,344	207,188
10	Multiple	Revenues	multi	-	-	-	377,590	40,000	(972,822)	597,223	(41,991)
11		Total 2012 Continuation				\$ 19,459,729	\$ 377,590	\$ 40,000	\$ (8,975,843)	\$ 27,834,405	\$ 183,577
12											
13		Running Subtotal of 2012 Proposed General Government Operating Budget				\$ 462,671,584	\$ 166,442,933	\$ 27,374,907	\$ -	\$ 253,141,439	\$ 15,712,304
14		Revenue Adjustments									
15	Taxes and Reserve	Motor Vehicle Registration Tax -	multi	-	-	-	3,760,000	-	-	(3,691,330)	(68,670)
16	Real Estate	Pipeline Revenue increase	221	-	-	-	60,000	-	(60,000)	-	-
17	Real Estate	RES - Chug-ER Chamber of Commerce lease revenue	101	-	-	-	12,000	-	-	(12,000)	-
18	Real Estate	RES - Kincaid "Call on Wheels" new lease rev.	101	-	-	-	15,600	-	-	(15,600)	-
19	Real Estate	RES - 2012 lease revenue for Old City Hall site	101	-	-	-	170,000	-	-	(170,000)	-
20		Total Revenue Adjustments				\$ -	\$ 4,017,600	\$ 0	\$ (60,000)	\$ (3,888,930)	\$ (68,670)
21											
22		Running Subtotal of 2012 Proposed General Government Operating Budget				\$ 462,671,584	\$ 170,460,533	\$ 27,374,907	\$ (60,000)	\$ 249,252,509	\$ 15,643,634
23		Fund Balance Adjustments (Program Funds)									
24	Multiple	Adjustment to fund balance to fund services derived from 2011 Leave Cash-Out adjustment	multi	-	-	-	-	-	4,095,593	(4,095,593)	-
25	Community Development	Adjustment to fund balance to fund future services	181	-	-	-	-	-	1,587,797	(1,587,797)	-
26	Finance	Adjustment to fund balance to fund services	191	-	-	-	-	-	(113,628)	113,628	-
27	Municipal Manager	Adjustment to fund balance to fund future services	202	-	-	-	-	-	(687,965)	687,965	-
28	Real Estate	Adjustment to fund balance to fund services	221	-	-	-	-	-	920,647	(920,647)	-
29	Municipal Manager	Adjustment to fund balance to fund future services	602	-	-	-	-	-	76,948	(76,948)	-
30	Information Technology	Adjustment to fund balance to fund services	607	-	-	-	-	-	266,945	(266,945)	-
31		Total Fund Balance Adjustments (Program Funds)				\$ -	\$ -	\$ -	\$ 6,146,337	\$ (6,146,337)	\$ -
32											
33		Running Subtotal of 2012 Proposed General Government Operating Budget				\$ 462,671,584	\$ 170,460,533	\$ 27,374,907	\$ 6,086,337	\$ 243,106,172	\$ 15,643,634
34		Expenditure Adjustments - Tax Cap Increases									
35	Fire	Viewer Approved Bond O&M - 2010 Proposition 2 - staffing of Medic #7	multi	-	-	450,845	-	-	-	-	450,845
36	Parks and Recreation	Viewer Approved Bond O&M - 2007 Proposition 4 - Annual (20 yr) contribution of \$100K to reserve for renovating and replacing pools	161	-	-	100,000	-	-	-	-	100,000
37	Parks and Recreation	Viewer Approved Bond O&M - 2010 Proposition 1, 2011 Proposition 4 - Non-labor costs associated with streetscape maintenance (including mowing, providing plants, supplies, etc.); Settlements - One Time - Labor settlement.	161	-	-	129,000	-	-	-	-	129,000
38	Police	Viewer Approved Bond O&M - 2010 Proposition 1, 2011 Proposition 4 - ARDSA	101	-	-	25,050	-	-	-	-	25,050
39	Public Works	Viewer Approved Bond O&M - 2010 Proposition 1, 2011 Proposition 4 - ARDSA	141	-	-	84,000	-	-	-	-	84,000
40	Public Works	Viewer Approved Bond O&M - 2010 Proposition 1, 2011 Proposition 4 - ARDSA	101	-	-	27,100	-	-	-	-	27,100
41	Public Works	Viewer Approved Bond O&M - 2008 Proposition 1 - Facility Roof Reserve Bond includes Libraries, Sullivan Arena and Museum.	101	-	-	340,000	-	-	-	-	340,000
42	Public Works	Viewer approved Facility Roof Repair Bond for the Sullivan Arena; 2008 Prop 1	101	-	-	10,000	-	-	-	-	10,000
43	Public Works	Viewer approved Museum Roof Repair Bond for the Museum; 2008 Prop 1	101	-	-	23,000	-	-	-	-	23,000

2012 PROPOSED GENERAL GOVERNMENT OPERATING BUDGET

AM Support

Attachment to AM 554 - 2011 for AO 2011 - 100 as Amended
2012 Proposed General Government Operating Budget

Funding Sources

Line #	Department	Description	Fund	Filled Positions	Vacant Positions	Direct Costs	Non-Property Tax Revenues	IGC	Fund Balance (All GG)	Property Tax Under Charter Limit	Property Tax SAs with Max Tax Rates
44		Total Expenditure Adjustments - Tax Cap Increases				\$ 1,188,995	\$ -	\$ -	\$ -	\$ 1,188,995	\$ -
45											
46		Running Subtotal of 2012 Proposed General Government Operating Budget				\$ 463,860,579	\$ 170,460,533	\$ 27,374,907	\$ 6,086,337	\$ 244,295,167	\$ 15,643,634
47		Expenditure Adjustments - Other									
48	Multiple	Leave Cash-out - Change in methodology based on average of three year historical spend.	multi	-	-	(6,540,807)	-	-	-	(6,540,807)	-
49	Assembly	Addition of Deputy Ombudsman position: 5FTE	101	-	1	82,750	-	-	-	82,750	-
50	Chief Fiscal Officer	Increase Prof Services to support ERP	101	-	-	150,000	-	-	-	150,000	-
51	Community Development	Transportation Planning - Delete vacant Tech/Transportation Planning position; last filled in August 2002	101	-	(1)	(75,144)	-	-	-	(75,144)	-
52	Community Development	Planning - Eliminate vacant Planning Deputy Director position approved in 2010 and never filled	101	-	(1)	(147,600)	-	-	-	(147,600)	-
53	Community Development	Land Use and Review - Eliminate St. Office Assistant position; duties will be spread between other land use enforcement officers	101	-	(1)	(91,712)	-	-	-	(91,712)	-
54	Community Development	Non-labor savings based on analysis of average spend in prior years	101	-	-	(86,857)	-	-	-	(86,857)	-
55	Community Development	Land Use Enforcement - Delete one of eight Land Use Enforcement positions; may impact complaint response time	101	-	(1)	(119,460)	-	-	-	(119,460)	-
56	Employee Relations	Non-labor savings based on analysis of average spend in prior years for legal services	101	-	-	(30,000)	-	-	-	(30,000)	-
57	Employee Relations	Non-labor savings based on analysis of average spend in prior years for Professional Services	101	-	-	(72,000)	-	-	-	(72,000)	-
58	Finance	Assessor - Non-labor savings based on analysis of average spend in prior years	101	-	-	(23,265)	-	-	-	(23,265)	-
59	Finance	Controller Division - Reduce Professional Fees for road survey that will not be due until 2014	101	-	-	(62,000)	-	-	-	(62,000)	-
60	Finance	Public Finance - Reduce Dues and Subscriptions	191	-	-	(1,500)	-	-	(1,500)	-	-
61	Finance	Public Finance - Increase contractual services due to Municipal Cash Pool portfolio growth with corresponding increases in revenues	191	-	-	77,046	112,163	-	(35,117)	-	-
62	Finance	Treasury - Non-labor savings	101	-	-	(55,935)	-	-	-	(55,935)	-
63	Finance	Treasury - Charge 25% of labor cost for position that will work on ERP implementation to project	101	-	-	(30,820)	-	-	-	(30,820)	-
64	Finance	Treasury - Delete Treasury Clerk position supporting program taxes	101	-	(1)	(76,814)	-	-	-	(76,814)	-
65	Fire	Police and Fire Retirement Medical - Increase 12% in medical costs for Fire Department Genitle retirees	101	-	-	309,406	-	-	-	309,406	-
66	Fire	Police and Fire Retirement Medical Trust insurance subsidy to reimburse the Medical/Dental Self Insurance Fund (603)	101	-	-	73,576	-	-	-	73,576	-
67	Fire	Contribution increase to Police and Fire Retirees Medical Administration Fund (213)	101	-	-	422	-	-	-	422	-
68	Fire	Police and Fire Retirement Trust - Adjust contribution to Police and Fire Retirement Trust per actuarial report	131	-	-	(1,123,752)	-	-	-	(1,123,752)	-
69	Fire	Department of Homeland Security Staffing for Adequate Fire and Emergency Response (SAFER) Grant Program - full year funding for new firefighter positions	multi	-	-	1,672,288	-	969,362	-	702,926	-
70	Fire	Delete funded but vacant Programmer Analyst position; last filled May 2011	101	-	(1)	(102,237)	-	-	-	(102,237)	-
71	Fire	Delete funded but vacant payroll position; last filled June 2011	101	-	(1)	(104,147)	-	-	-	(104,147)	-
72	Fire	Reduce overtime budget; savings to be realized from 29 new firefighters	multi	-	-	(1,220,958)	-	-	-	(1,220,958)	-
73	Fire	Non-labor savings (fuel) based on average spend in prior years	131	-	-	(55,000)	-	-	-	(55,000)	-
74	Fire	Non-labor savings (repair and maintenance) based on average spend in prior years	131	-	-	(60,000)	-	-	-	(60,000)	-
75	Health and Human Services	Partially shift 20% of funding for Principal Administrative Officer position to grant	101	-	-	(28,233)	-	-	-	(28,233)	-

2012 PROPOSED GENERAL GOVERNMENT OPERATING BUDGET

AM Support

Attachment to AM 554 - 2011 for AO 2011 - 100 as Amended
2012 Proposed General Government Operating Budget

Funding Sources

#	Department	Description	Fund	Filled Positions	Vacant Positions	Direct Costs	Non-Property Tax Revenues	IGC	Fund Balance (All GG)	Property Tax Under Charter Limit	Property Tax SAs with Max Tax Rates
76	Health and Human Services	Reduce local funding due to increase in State Clinic Nursing Services Grant	101	-	-	-	-	(379,631)	-	-	-
77	Health and Human Services	Directly charge non-labor expenses to State Public Health Nursing Grant	101	-	-	(82,849)	-	-	-	(82,849)	-
78	Health and Human Services	Additional funds to cover shortfall in Childcare Licensing Program	101	-	-	379,631	-	-	-	-	-
79	Health and Human Services	Reduce Facility Manager from full to part-time	101	-	-	(36,084)	-	-	-	(36,084)	-
80	Health and Human Services	Consolidation of office management structure - unfund accountant position	101	(1)	-	(90,107)	-	-	-	(90,107)	-
81	Health and Human Services	Delete two Health Educators; may impact program administration of Women's Commission and Obesity Plan, data analysis, program evaluation	101	-	(2)	(203,059)	-	-	-	(203,059)	-
82	Health and Human Services	Delete payroll specialist due to Kronos implementation	101	(1)	-	(89,841)	-	-	-	(89,841)	-
83	Health and Human Services	Reduce non-labor expenditures	101	-	-	(58,205)	-	-	-	(58,205)	-
84	Health and Human Services	Delete funded but vacant Permit Clerk position; last filled May 2009	101	-	(1)	(72,609)	-	-	-	(72,609)	-
85	Information Technology	Delete funded but vacant Driver/Courier for Reprographics; last filled September 2010	101	-	(1)	(59,548)	-	-	-	(59,548)	-
86	Information Technology	Increase cost of maintenance contract for ERP	607	-	-	96,946	-	-	96,946	-	-
87	Information Technology	IT Administration - Savings in Contract Services based on analysis on average spend in prior years	607	-	-	(161,984)	-	-	(94,088)	(67,896)	-
88	Library	Savings from retirement of 3 positions previously filled by long term employees	101	-	-	(36,092)	-	-	-	(36,092)	-
89	Library	Delete funded but vacant Library Assistant II position	101	-	(1)	(72,609)	-	-	-	(72,609)	-
90	Library	Delete funded but vacant Associate Librarian position; created in 2011 and never filled	101	-	(1)	(53,519)	-	-	-	(53,519)	-
91	Management and Budget	Delete funded but vacant Administrative Officer position	101	-	(1)	(94,529)	-	-	-	(94,529)	-
92	Management and Budget	Adjust professional services to include software maintenance and Central Services Cost Allocation Plan	101	-	-	75,000	-	-	-	75,000	-
93	Mayor	Reduce funding for professional services	101	-	-	(91,035)	-	-	-	(91,035)	-
94	Municipal Manager	Delete funded but vacant Special Administration Assistant from the Office of Emergency Management	101	-	(1)	(96,933)	-	-	-	(96,933)	-
95	Parks and Recreation	Horticulture - Delete 2 funded but vacant part time Gardener II positions; last filled October 2010	101	-	(2)	(36,615)	-	-	-	(36,615)	-
96	Parks and Recreation	Recreation and Aquatics - Delete funded but vacant Lifeguard II position; last filled August 2007	101	-	(1)	(41,995)	-	-	-	(41,995)	-
97	Parks and Recreation	Youth Employment in Parks - Delete funded but vacant Recreation Specialist II position; last filled August 2009	101	-	(1)	(20,007)	-	-	-	(20,007)	-
98	Parks and Recreation	Per board decision, reduce Eagle River/Chugiak Parks & Recreation maximum tax rate for annual contribution for capital	162	-	-	(257,000)	-	-	-	-	(257,000)
99	Parks and Recreation	Reduce overtime, training and supplies expenses based on 3 year average of amount spent	161	-	-	(30,437)	-	-	-	(30,437)	-
100	Parks and Recreation	Delete 3 full time Recreation Program Specialist II positions and create 4 seasonal part time Recreation Program Specialist II Positions	161	-	1	(144,607)	-	-	-	(144,607)	-
101	Parks and Recreation	Delete 2 full time Park Caretaker positions to create 16 seasonal Park Caretaker I positions that will increase the weekly number of clean up and safety visits to parks	161	-	14	(205)	-	-	-	(205)	-
102	Police	Police and Fire Retirement Medical - Increase of 12% in medical costs for Police Department_Gentile retirees	151	-	-	459,375	-	-	-	-	459,375

2012 Approved General Government Operating Budget

2012 PROPOSED GENERAL GOVERNMENT OPERATING BUDGET

Funding Sources

Line #	Department	Description	Fund	Positions Filled	Positions Vacant	Direct Costs	Non-Property Tax Revenues	IGC	Fund Balance (All GG)	Property Tax Under Charter Limit	Property Tax SAs with Max Tax Rates
103	Police	Police and Fire Retirement Medical Trust insurance subsidy to reimburse the Medical/Dental Self Insurance Fund (603)	151	-	-	80,105	-	-	-	80,105	-
104	Police	Contribution increase to Police and Fire Retirees Medical Administration Fund (213)	151	-	-	422	-	-	-	-	422
105	Police	Police and Fire Retirement Trust - Adjust contribution to Police and Fire Retirement Trust per actuarial report	151	-	-	(1,199,373)	-	-	-	(1,199,373)	-
106	Police	Police Academy: 30 recruits (increase of 2 from 2011 1Q Budget). Academy start late 2011	151	-	-	1,277,506	-	-	-	1,277,506	-
107	Police	Funding of attorney fees required for litigation	151	-	-	85,000	-	-	-	-	85,000
108	Police	Reassignment of labor	151	-	-	(174,331)	-	-	-	(174,331)	-
109	Police	Reduce parking enforcement costs due to transfer of services to ACDA	101	-	-	(281,180)	-	-	-	(281,180)	-
110	Police	ACDA charge to process citations issued by APD	101	-	-	60,000	-	-	-	60,000	-
111	Police	Delete funded but vacant Special Assistant to the Chief of Police position; last filled November 2010	151	-	(1)	(144,119)	-	-	-	(144,119)	-
112	Police	Delete funded but vacant Detective Management Clerk position; last filled May 2011	151	-	(1)	(77,616)	-	-	-	(77,616)	-
113	Police	Delete funded but vacant payroll clerk position due to Kronos implementation	151	-	(1)	(80,613)	-	-	-	(80,613)	-
114	Police	Delete funded but vacant Theft Unit Clerk position	151	-	(1)	(77,716)	-	-	-	(77,716)	-
115	Police	Delete funded but vacant Theft Unit Clerk position	151	-	(1)	(77,283)	-	-	-	(77,283)	-
116	Police	Delete funded but vacant Human Resource Manager position	151	-	(1)	(102,237)	-	-	-	(102,237)	-
117	Police	Delete funded but vacant Evidence Clerk position	151	-	(1)	(77,616)	-	-	-	(77,616)	-
118	Police	Delete funded but vacant Records Clerk position	151	-	(1)	(82,482)	-	-	-	(82,482)	-
119	Police	Delete funded but vacant Records Clerk position	151	-	(1)	(82,453)	-	-	-	(82,453)	-
120	Public Works	Charge capital projects for equipment rental associated with projects	141	-	-	(316,342)	-	-	-	(316,342)	-
121	Public Works	Reduce fleet equipment charges for equipment no longer needed that will be auctioned	141	-	-	(66,698)	-	-	-	(66,698)	-
122	Public Works	Reclass Sr. Electronic Technician position to entry level to better enable career track	101	-	-	(19,862)	-	-	-	(19,862)	-
123	Public Works	Delete 2 Engineering Tech III positions; last filled April 2010	101	-	(2)	(218,804)	-	(93,348)	-	(125,456)	-
124	Public Works	Delete Principal Accounting Position; last filled May 2011	101	-	(1)	(106,311)	-	-	-	(106,311)	-
125	Public Works	Delete Technical Assistant in Traffic Division	101	-	(1)	(100,676)	-	-	-	(100,676)	-
126	Public Works	Reduce facility professional contractual services.	101	-	-	(100,000)	-	-	-	(100,000)	-
127	Public Works	Increase IGC charges to capital funded projects for APDES inspections and permit review	101	-	-	-	(50,000)	64,873	-	(14,873)	-
128	Public Works	Reduce amount available for small projects in Facility Maintenance Division; balance remaining \$1,175,963.	101	-	-	(150,000)	-	-	-	(150,000)	-
129	Public Works	Delete Realty Officer I position; last filled April 2010	101	-	(1)	(94,824)	-	(94,824)	-	-	-
130	Public Works	Fuel and travel savings based on analysis of average spend in prior years in Street Maintenance Division; \$1,381,667 remains	141	-	-	(110,000)	-	-	-	(110,000)	-
131	Public Works	Savings based on analysis of average spend in prior years for repair and maintenance supplies in Street Maintenance Division; \$1,281,514 remains	141	-	-	(96,411)	-	-	-	(96,411)	-
132	Public Works	Contractual savings based on analysis of average spend in prior years in Street Maintenance Division; \$1,428,028 remains	141	-	-	(223,763)	-	-	-	(223,763)	-
133	Public Works	Utility savings based on analysis of average spend in prior years in the Facility Maintenance Division; \$3,354,249 remains	101	-	-	(100,000)	-	-	-	(100,000)	-
134	Public Works	Savings in professional services based on analysis of average spend in prior years in the Watershed Management Division; \$434,960 remains	101	-	-	(150,000)	-	-	-	(150,000)	-
135	Public Works	Delete Sr. Office Associate position; last filled October 2009	141	-	(1)	(82,315)	-	-	-	(82,315)	-
136	Purchasing	Transfer 2 buyer positions from AWWJ	101	-	2	201,684	-	201,684	-	-	-
137	Real Estate	Delete funded but vacant Property Management Officer	101	-	(1)	(122,435)	-	-	-	(122,435)	-
138	Multiple	IGC Recalculation	multi	-	-	-	-	258,236	1,978,104	(2,946,492)	710,152
139		Total Expenditure Adjustments - Other		(2,00)	(16,80)	(12,109,195)	62,163	1,305,983	1,944,345	(15,874,838)	453,152
140											
141		Running Subtotal of 2012 Proposed General Government Operating Budget		(2,00)	(16,80)	\$ 451,751,384	\$ 170,522,696	\$ 28,680,990	\$ 8,030,682	\$ 228,420,329	\$ 16,096,786

2012 PROPOSED GENERAL GOVERNMENT OPERATING BUDGET

Funding Sources

#	Department	Description	Fund	Filled Positions	Vacant Positions	Direct Costs	Non-Property Tax Revenues	IGC	Fund Balance (All GG)	Property Tax Under Charter Limit	Property Tax SAs with Max Tax Rates
142	Amendments										
143	Parks and Recreation	<i>Sponsor - Flynn</i> : Amendment # 2 - Reverse Line 100 "Delete 3 full time Recreation Program Specialist II positions and create 4 seasonal part time Recreation Program Specialist II Positions."	161	-	-	144,607	-	-	-	144,607	-
144	Library	<i>Sponsor - Flynn</i> : Amendment # 5 - Augment library materials budget.	101	-	-	50,000	-	-	-	50,000	-
145	Police	<i>Sponsor - Osslander</i> : Amendment # 6 - New Record Clerk position.	151	-	-	79,597	-	-	-	79,597	-
146	Assembly	<i>Sponsor - Osslander</i> : Amendment # 8 - Ombudsman salary correction.	101	-	-	6,675	-	-	-	6,675	-
147	Public Transportation	<i>Sponsor - Gray-Jackson, Drummond and Traini</i> : Amendment # 9 - Provide funding for a scheduled shuttle service during business hours between the new Anchorage Neighborhood Health Center (ANHC) and People Mover connection points. The annual cost for this service is estimated at \$120,000. ANHC scheduled to open September 2012.	101	-	-	40,000	-	-	-	40,000	-
148	Municipal Manager	<i>Sponsor - Mayor</i> : Amendment # 10 - Increased funding for the Anchorage Museum per contract that provides for an annual increase based on the five-year average change in population and inflation.	101	-	-	136,260	-	-	-	136,260	-
149	Municipal Manager	<i>Sponsor - Mayor</i> : Amendment # 11 - Increased funding for the Anchorage Center for the Performing Arts (ACPA) per the contract that provides for an annual inflationary adjustment.	101	-	-	65,253	-	-	-	65,253	-
150		Total Amendments				\$ 522,392	\$ -	\$ -	\$ -	\$ 522,392	\$ -
151											
152		Running Subtotal of 2012 Proposed General Government Operating Budget	(2,00)	(16,80)	\$ 452,273,776	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,942,721	\$ 16,096,786	\$ -
153											
154		2011 Revised General Gov Operating Budget				\$ 443,211,855	\$ 166,065,343	\$ 27,334,907	\$ 8,975,843	\$ 225,307,034	\$ 15,528,721
155		Total Adjustments and Amendments				\$ 9,061,921	\$ 4,457,353	\$ 1,345,983	\$ (945,161)	\$ 3,635,687	\$ 568,059
156		2012 Proposed General Government Operating Budget				\$ 452,273,776	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,942,721	\$ 16,096,786
157											
158											

OVERRIDDEN 12/13/11



MUNICIPALITY OF ANCHORAGE M.O.A.

2011 DEC 13 AM 11:07

OFFICE OF THE MAYOR CLEMENS OFFICE

MEMORANDUM

DATE: December 13, 2011

TO: Anchorage Assembly
Debbie Ossiander, Assembly Chair

FROM: Mayor Daniel A. Sullivan *Daniel A. Sullivan*

SUBJECT: Line item veto of amendment to AO 2011-100

M.O.A.
 2011 DEC 13 AM 11:11
 CLEMENS OFFICE

Pursuant to the authority vested in me by Charter section 5.02(c), I hereby line item veto the amendment referred to as "amendment number two", moved and approved as part of Anchorage Ordinance No. 2011-100, an ordinance adopting the 2012 general government operating budget. The amendment added \$144,607 to the Parks and Recreation Department's budget.

The Parks and Recreation Department has identified savings, without unduly diminishing services, by creating four seasonal part time positions in place of three full-time positions. I encourage and support efforts to provide quality service at the best price. That is part of my duty to the taxpayers - to ensure their tax dollars provide the broadest range of necessary services at the lowest cost. When there is an opportunity to deliver quality service and save money, we should take it.

We cannot ignore the fact that budget constraints, now and in the future, require new approaches to managing municipal assets and the delivery of popular recreation programs and services. All other things being equal, the coming increases in labor costs require serious consideration of all alternatives just to maintain the status quo in municipal services. Now is not the time to make a false promise of long term full time employment, when it is apparent that seasonal, part-time work can accomplish the same tasks. Indeed, our recent experience has shown that collaboration with the private sector can and does provide additional resources if and when the need arises. The Bonny Sosa Tuesday Night Race Series and Mayors Marathon are good examples of how changing our approach can bring in more private support in lieu of using scarce taxpayer dollars.

2012 Approved General Government Operating Budget

# Line	Department	Description	Fund	Debit	Acct	PCNs	Filled	Positions	Vacant	Funding Sources				Property Tax Under Charter Limit	Property Tax SAs with Max Tax Rates
										(1)-Time/ Recurring	Non-Property Tax Revenues	IGC	Fund Balance (All GG)		
1															
2		2011 Revised General Gov Operating Budget													
3															
4		2012 Continuation													
5	Multiple	Labor	multi												18,446
6	Multiple	Non-Labor	multi												186,027
7	Multiple	Non-Labor - Debt Service	multi												(66)
8	Multiple	IGCs	multi												6,325,599
9	Multiple	Fund Balance	multi												207,188
10	Multiple	Revenues	multi												(41,991)
11		Total 2012 Continuation													183,577
12															
13		Running Subtotal of 2012 Proposed General Government Operating Budget													
14															
15		Revenue Adjustments													
16		Taxes and Reserve Motor Vehicle Registration Tax -	R multi	multi	9006										(68,670)
17	Real Estate	Pipeline Revenue increase	221	1221	9566	N/A									
18	Real Estate	RES - Chuq-ER Chamber of Commerce lease revenue	101	1222	9731	N/A									(12,000)
19	Real Estate	RES - Kincaid "Cell on Wheels" new lease rev.	101	1222	9731	N/A									(15,600)
20	Real Estate	RES - 2012 lease revenue for Old City Hall site	101	1222	9731	N/A									(170,000)
21		Total Revenue Adjustments													\$ (3,888,930) \$ (68,670)
22		Running Subtotal of 2012 Proposed General Government Operating Budget													
23															
24		Fund Balance Adjustments (Program Funds)													
25	Multiple	Adjustment to fund balance to fund services derived from 2011 Leave Cash-Out adjustment	multi		0740										4,095,593
26	Community	Adjustment to fund balance to fund future services	181		0740										1,587,797
27	Development	Adjustment to fund balance to fund future services	191		0740										(113,628)
28	Finance	Adjustment to fund balance to fund future services	202		0740										(687,965)
29	Municipal Manager	Adjustment to fund balance to fund future services	221		0740										920,647
30	Municipal Manager	Adjustment to fund balance to fund future services	602		0740										(76,948)
31	Information	Adjustment to fund balance to fund services	607		0740										266,945
32	Technology	Adjustment to fund balance to fund services													
33		Total Fund Balance Adjustments (Program Funds)													\$ 6,146,337 \$ (6,146,337) \$
34		Running Subtotal of 2012 Proposed General Government Operating Budget													
35															
36		Expenditure Adjustments - Tax Cap Increases													
37	Fire	Volter Approved Bond O&M - 2010 Proposition 2 - staffing of Medic #7	multi	3530	3520	1000s	N/A								450,845
38	Parks and Recreation	Volter Approved Bond O&M - 2007 Proposition 4 - Annual (20 yr) contribution of \$100K to reserve for renovating and replacing pools	161	5604	3901	N/A									100,000
39	Parks and Recreation	Volter Approved Bond O&M - 2010 Proposition 1, 2011 Proposition 4 - Non-labor costs associated with streetscape maintenance (including mowing, providing plants, supplies, etc.)	161	5502	3901	N/A									129,000
40	Police	Settlements - One Time - Labor settlement.	1	101	4841	3116									25,050
41	Public Works	Volter Approved Bond O&M - 2010 Proposition 1, 2011 Proposition 4 - ARDSA	141	7430	3808	N/A									84,000
42	Public Works	Volter Approved Bond O&M - 2010 Proposition 1, 2011 Proposition 4 - ARDSA	101	7890	3808	N/A									27,100
43	Public Works	Volter Approved Bond O&M - 2008 Proposition 1 - Facility Roof Reserve Bond includes Libraries, Sullivan Arena and Museum;	101	1634	3901	N/A									340,000
44	Public Works	Volter approved Facility Roof Repair Bond for the Sullivan Arena; 2008 Prop 1	101	1634	3808	N/A									10,000
45	Public Works	Volter approved Museum Roof Repair Bond for the Museum; 2008 Prop 1	101	1634	3808	N/A									23,000
46		Total Expenditure Adjustments - Tax Cap Increases													\$ 1,188,995 \$
47		Running Subtotal of 2012 Proposed General Government Operating Budget													
48															
49		Expenditure Adjustments - Other													
50	Multiple	Leave Cash-out - Change in methodology based on average of three year historical spend.	multi		multi	N/A									(6,540,807)
51	Assembly	Addition of Deputy Ombudsman position, 5FTE	101	1030	1000s	New									82,750

2012 Approved General Government Operating Budget

50	Chief Fiscal Officer	Increase Prof Services to support ERP	101	1370	3101	N/A	-	150,000	-	-	150,000
51	Community Development	Transportation Planning - Delete vacant Tech/Transportation Planning position; last filled in August 2002	101	7720	1000s	1406	-	(75,144)	-	-	(75,144)
52	Community Development	Planning - Eliminate vacant Planning Deputy Director position approved in 2010 and never filled	101	1510	1000s	6991	-	(147,600)	-	-	(147,600)
53	Community Development	Land Use and Review - Eliminate Sr. Office Assistant position; duties will be spread between other land use enforcement officers	101	1595	1000s	4716	-	(91,712)	-	-	(91,712)
54	Community Development	Non-labor savings based on analysis of average spend in prior years	101	1506	3101	N/A	-	(86,857)	-	-	(86,857)
55	Community Development	Land Use Enforcement - Delete one of eight Land Use Enforcement positions; may impact complaint response time	101	7520	1000s	4712	-	(119,460)	-	-	(119,460)
56	Employee Relations	Non-labor savings based on analysis of average spend in prior years for legal services	101	1810	3118	N/A	-	(30,000)	-	-	(30,000)
57	Employee Relations	Non-labor savings based on analysis of average spend in prior years for Professional Services	101	1810, 1871	3101	N/A	-	(72,000)	-	-	(72,000)
58	Finance	Assessor - Non-labor savings based on analysis of average spend in prior years	101	1351	2000	N/A	-	(23,265)	-	-	(23,265)
59	Finance	Controller Division - Reduce Professional Fees for road survey that will not be due until 2014	101	1322	3101	N/A	-	(62,000)	-	-	(62,000)
60	Finance	Public Finance - Reduce Dues and Subscriptions	191	1313	3805	N/A	-	(1,500)	-	-	(1,500)
61	Finance	Public Finance - Increase contractual services due to Municipal Cash Pool portfolio growth with corresponding increases in revenues	191	1313	3101	N/A	-	77,046	112,163	-	(35,117)
62	Finance	Treasury - Non-labor savings	101	multi	multi	N/A	-	(55,935)	-	-	(55,935)
63	Finance	Treasury - Charge 25% of labor cost for position that will work on ERP implementation to project	101	1342	1000s	1176	-	(30,820)	-	-	(30,820)
64	Finance	Treasury - Delete Treasury Clerk position supporting program taxes	101	1342	1000s	6172	-	(76,814)	-	-	(76,814)
65	Fire	Police and Fire Retirement Medical - Increase 12% in medical costs for Fire Department Gentile retirees	101	3190	3401	N/A	-	309,406	-	-	309,406
66	Fire	Police and Fire Retirement Medical Trust Insurance subsidy to reimburse the Medical/Dental Self Insurance Fund (603)	101	3190	3901	N/A	-	73,576	-	-	73,576
67	Fire	Contribution increase to Police and Fire Retirees Medical Administration Fund (213)	101	3190	3901	N/A	-	422	-	-	422
68	Fire	Police and Fire Retirement Trust - Adjust contribution to Police and Fire Retirement Trust per actuarial report	131	3590	3901	N/A	-	(1,123,752)	-	-	(1,123,752)
69	Fire	Department of Homeland Security Staffing for Adequate Fire and Emergency Response (SAFER) Grant Program - full year funding for new firefighter positions	multi	3520/3530	1000s	multi	-	1,672,288	-	969,362	702,926
70	Fire	Delete funded but vacant Programmer Analyst position; last filled May 2011	101	3210	1000s	6289	-	(102,237)	-	-	(102,237)
71	Fire	Delete funded but vacant payroll position; last filled June 2011	101	3202	1000s	2829	-	(104,147)	-	-	(104,147)
72	Fire	Reduce overtime budget; savings to be realized from 29 new firefighters	multi	3530/3520	1201	N/A	-	(1,220,958)	-	-	(1,220,958)
73	Fire	Non-labor savings (fuel) based on average spend in prior years	131	3720	2203	N/A	-	(55,000)	-	-	(55,000)
74	Fire	Non-labor savings (repair and maintenance) based on average spend in prior years	131	3720	2301	N/A	-	(60,000)	-	-	(60,000)
75	Health and Human Services	Partially shift 20% of funding for Principal Administrative Officer position to grant	101	2390	1000s	1656	-	(28,233)	-	-	(28,233)
76	Health and Human Services	Reduce local funding due to increase in State Clinic Nursing Services Grant	101	60, □24891	1000s	N/A	-	(736,782)	-	(379,631)	(357,151)
77	Health and Human Services	Directly charge non-labor expenses to State Public Health Nursing Grant	101	2460	2201	N/A	-	(82,849)	-	-	(82,849)
78	Health and Human Services	Additional funds to cover shortfall in Childcare Licensing Program	101	350, 233311	1000s	N/A	-	379,631	-	-	379,631
79	Health and Human Services	Reduce Facility Manager from full to part-time	101	2210	1000s	6261	-	(36,084)	-	-	(36,084)
80	Health and Human Services	Consolidation of office management structure - unfund accountant position	101	2220	1000s	1566	(1)	(90,107)	-	-	(90,107)
81	Health and Human Services	Delete two Health Educators; may impact program administration of Women's Commission and Obesity Plan, data analysis, program evaluation	101	2610	1000s	715, 691	-	(203,059)	(2)	-	(203,059)
82	Health and Human Services	Delete payroll specialist due to Kronos implementation	101	2210	1000s	1565	(1)	(89,841)	-	-	(89,841)
83	Health and Human Services	Reduce non-labor expenditures	101	various	2000s	N/A	-	(58,205)	-	-	(58,205)
84	Health and Human Services	Delete funded but vacant Permit Clerk position; last filled May 2009	101	2540	1000s	6047	-	(72,609)	(1)	-	(72,609)
85	Information Technology	Delete funded but vacant Driver/Courier for Reprographics; last filled September 2010	101	1423	1000s	1285	-	(59,548)	(1)	-	(59,548)
86	Information Technology	Increase cost of maintenance contract for ERP	607	1451	2000	N/A	-	96,946	-	-	96,946

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87	Information Technology	IT Administration - Savings in Contract Services based on analysis on average spend in prior years	607	1472, 1454, 1612, 381	N/A	-	-	(161,984)	-	(94,088)	(67,896)
88	Library	Savings from retirement of 3 positions previously filled by long term employees	101	5364	1000s	6114,	-	(36,092)	-	-	(36,092)
89	Library	Delete funded but vacant Library Assistant II position	101	5372	1000s	3819	-	(72,609)	-	-	(72,609)
90	Library	Delete funded but vacant Associate Librarian position, created in 2011 and never filled	101	5372	1000s	new02	-	(53,519)	-	-	(53,519)
91	Management and Budget	Delete funded but vacant Administrative Officer position	101	1951	1000s	1124	-	(94,529)	-	-	(94,529)
92	Management and Budget	Adjust professional services to include software maintenance and Central Services Cost Allocation Plan	101	1951	3101	N/A	-	75,000	-	-	75,000
93	Mayor	Reduce funding for professional services	101	1111	varies	N/A	-	(91,035)	-	-	(91,035)
94	Municipal Manager	Delete funded but vacant Special Administration Assistant from the Office of Emergency Management	101	1242	1000s	6966	-	(96,933)	-	-	(96,933)
95	Parks and Recreation	Horticulture - Delete 2 funded but vacant part time Gardener II positions; last filled October 2010	101	5506	1000s	129, 55f	-	(36,615)	-	-	(36,615)
96	Parks and Recreation	Recreation and Aquatics - Delete funded but vacant Lifeguard II position; last filled August 2007	101	5604	1000s	4349	-	(41,995)	-	-	(41,995)
97	Parks and Recreation	Youth Employment in Parks - Delete funded but vacant Recreation Specialist II position; last filled August 2009	101	5605	1000s	6627	-	(20,007)	-	-	(20,007)
98	Parks and Recreation	Per board decision, reduce Eagle River/Chugiak Parks & Recreation maximum tax rate for annual contribution for capital	162	5474	3901	N/A	-	(257,000)	-	-	(257,000)
99	Parks and Recreation	Reduce overtime, training and supplies expenses based on 3 year average of amount spent	161	5502, 5506, 1, 3828,	N/A	-	-	(30,437)	-	-	(30,437)
100	Parks and Recreation	Delete 3 full time Recreation Program Specialist II positions and create 4 seasonal part time Recreation Program Specialist II Positions	161	5603	1000s	4199,	-	(144,607)	-	-	(144,607)
101	Parks and Recreation	Delete 2 full time Park Caretaker positions to create 16 seasonal Park Caretaker I positions that will increase the weekly number of clean up and safety visits to parks	161	5502	1000s	344, 39-	-	(205)	-	-	(205)
102	Police	Police and Fire Retirement Medical - Increase of 12% in medical costs for Police Department Centille retirees	151	4880	3401	N/A	-	459,375	-	-	459,375
103	Police	Police and Fire Retirement Medical Trust Insurance subsidy to reimburse the Medical/Dental Self Insurance Fund (603)	151	4880	3901	N/A	-	80,105	-	-	80,105
104	Police	Contribution increase to Police and Fire Retirees Medical Administration Fund (213)	151	4880	3901	N/A	-	422	-	-	422
105	Police	Police and Fire Retirement Trust - Adjust contribution to Police and Fire Retirement Trust per actuarial report	151	4880	3901	N/A	-	(1,199,373)	-	-	(1,199,373)
106	Police	Police Academy: 30 recruits (increase of 2 from 2011 1Q Budget). Academy start late 2011	151	4825	1000s	N/A	-	1,277,506	-	-	1,277,506
107	Police	Funding of attorney fees required for litigation	151	4111	3111	N/A	-	85,000	-	-	85,000
108	Police	Reassignment of labor	151	multi	multi	N/A	-	(174,331)	-	-	(174,331)
109	Police	Reduce parking enforcement costs due to transfer of services to ACDA	101	4670	3101	N/A	-	(281,180)	-	-	(281,180)
110	Police	ACDA charge to process citations issued by APD	101	4670	3101	N/A	-	60,000	-	-	60,000
111	Police	Delete funded but vacant Special Assistant to the Chief of Police position; last filled November 2010	151	4111	1000s	6508	-	(144,119)	-	-	(144,119)
112	Police	Delete funded but vacant Detective Management Clerk position; last filled May 2011	151	4710	1000s	3537	-	(77,616)	-	-	(77,616)
113	Police	Delete funded but vacant payroll clerk position due to Kronos implementation	151	4821	1000s	5549	-	(80,613)	-	-	(80,613)
114	Police	Delete funded but vacant Theft Unit Clerk position	151	4733	1000s	3588	-	(77,716)	-	-	(77,716)
115	Police	Delete funded but vacant Theft Unit Clerk position	151	4733	1000s	3594	-	(77,283)	-	-	(77,283)
116	Police	Delete funded but vacant Human Resource Manager position	151	4833	1000s	5660	-	(102,237)	-	-	(102,237)
117	Police	Delete funded but vacant Evidence Clerk position	151	4842	1000s	3624	-	(77,616)	-	-	(77,616)
118	Police	Delete funded but vacant Records Clerk position	151	4842	1000s	3563	-	(82,482)	-	-	(82,482)
119	Police	Delete funded but vacant Records Clerk position	151	4842	1000s	3604	-	(82,453)	-	-	(82,453)
120	Public Works	Charge capital projects for equipment rental associated with projects	141	7430	3702	N/A	-	(316,342)	-	-	(316,342)
121	Public Works	Reduce fleet equipment charges for equipment no longer needed that will be auctioned	141	7430	3702	N/A	-	(66,698)	-	-	(66,698)
122	Public Works	Reclass Sr. Electronic Technician position to entry level to better enable career track	101	7740	1000s	4807	-	(19,862)	-	-	(19,862)
123	Public Works	Delete 2 Engineering Tech III positions; last filled April 2010	101	7320, 7880	1000s	314, 48f	-	(93,348)	-	-	(93,348)
124	Public Works	Delete Principal Accountant Position; last filled May 2011	101	7222	1000s	4557	-	(106,311)	-	-	(106,311)
125	Public Works	Delete Technical Assistant in Traffic Division	101	7890	1000s	4846	-	(100,676)	-	-	(100,676)
126	Public Works	Reduce facility professional contractual services.	101	1657	3808	N/A	-	(100,000)	-	-	(100,000)
127	Public Works	Increase IGC charges to capital funded projects for APDES inspections and permit review	101	7324	7403	N/A	-	(50,000)	-	-	(50,000)
128	Public Works	Reduce amount available for small projects in Facility Maintenance Division; balance remaining \$1,175,963.	101	1634	3901	N/A	-	(150,000)	-	-	(150,000)
129	Public Works	Delete Realty Officer I position; last filled April 2010	101	7323	1000s	6879	-	(94,824)	-	-	(94,824)

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130	Public Works	Fuel and travel savings based on analysis of average spend in prior years in Street Maintenance Division; \$1,381,667 remains	141	7430	208,333	N/A	-	-	(110,000)	-	-	(110,000)		
131	Public Works	Savings based on analysis of average spend in prior years for repair and maintenance supplies in Street Maintenance Division; \$1,281,514 remains	141	7430	2301	N/A	-	-	(96,411)	-	-	(96,411)		
132	Public Works	Contractual savings based on analysis of average spend in prior years in Street Maintenance Division; \$1,428,028 remains	141	7430	3808	N/A	-	-	(223,763)	-	-	(223,763)		
133	Public Works	Utility savings based on analysis of average spend in prior years in the Facility Maintenance Division; \$3,354,249 remains	101	1634	3501	N/A	-	-	(100,000)	-	-	(100,000)		
134	Public Works	Savings in professional services based on analysis of average spend in prior years in the Watershed Management Division; \$434,960 remains	101	7324	3101	N/A	-	-	(150,000)	-	-	(150,000)		
135	Public Works	Delete Sr. Office Associate position; last filled October 2009	141	7430	1000s	4567	-	(1)	(82,315)	-	-	(82,315)		
136	Purchasing	Transfer 2 buyer positions from AWWU	101	1912	1000s	er1, Bu	2	201,684	-	-	-	201,684		
137	Real Estate	Delete funded but vacant Property Management Officer	101	1222	1000s	1135	-	(1)	(122,435)	-	-	(122,435)		
138	Multiple	IGC Recalculation	multi	multi	multi	N/A	-	-	258,236	1,978,104	(2,946,492)	710,152		
139		Total Expenditure Adjustments - Other					(2.00)	(16.80)	(12,109,195)	62,163	1,305,983	1,944,345	453,152	
140		Running Subtotal of 2012 Proposed General Government Operating Budget					(2.00)	(16.80)	\$ 451,751,384	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,420,329	\$ 16,096,786
141		Board Requests from Service Areas with Maximum Tax Rates												
142	Public Works	Glen Alps - Adjust budget to the maximum mill rate of 2.75	105	7450	3808									
143	Public Works	Girdwood Valley Roads - Adjust budget to Board approved road budget amount	106	7460	varies									
144	Parks and Recreation	Girdwood Valley Parks - Approved by Girdwood Board of Supervisors: Reduced contribution of \$200,000 no longer needed for construction of the library and community center, lowered current position to less hours per week, added an additional part-time position to expand its customer service operations, and also added funding to repair broken equipment and for a service maintenance contract	106	5480	varies									
145	Fire	Girdwood Valley Fire Service Area: contract funding approved by Girdwood Board of Supervisors	106	3550	3151									
146	Public Works	Birch Tree/Elmore LRSA - Adjust budget to the maximum mill rate of 1.50	111	7441	3808									
147	Public Works	Campbell Airstrip LRSA - Adjust budget to Board approved mill rate of 1.25 mills (maximum voter approved mill rate is 1.50)	112	7442	3808									
148	Public Works	Vaillu Estates LRSA - Adjust budget to the maximum mill rate of 1.40	113	7443	3808									
149	Public Works	Skybranch Estates LRSA - Adjust budget to the maximum mill rate of 1.30	114	7444	3808									
150	Public Works	Upper Grover LRSA - Adjust budget to the maximum mill rate of 1.00	115	7445	3808									
151	Public Works	Ravenwood LRSA - Adjust budget to the maximum mill rate of 1.50	116	7446	3808									
152	Public Works	Mt Park Estates LRSA - Adjust budget to the maximum mill rate of 1.00	117	7447	3808									
153	Public Works	Mt Park/Robin Hill RRSA - Adjust budget to the maximum mill rate of 1.30	118	7448	3808									
154	Public Works	CBERRRSA - Adjust tax supported budget to a mill rate amount of 2.00 and apply fund balance to retain current budget levels	119	7449	3808									
155	Public Works	Eaglewood SA - Adjust contribution to CBERRRSA to a maximum amount of 20% of total CBERRRSA operating budget	121	7432	3901									
156	Public Works	Gateway SA - Adjust contribution to CBERRRSA to a maximum amount of 15% of total CBERRRSA operating budget	122	7439	3901									
157	Public Works	Lakehill LRSA - Adjust budget to the maximum mill rate of 1.50	123	7451	3808									
158	Public Works	Tolem LRSA - Adjust budget to the maximum mill rate of 1.50	124	7452	3808									
159	Public Works	Paradise Valley LRSA - Adjust budget to the maximum mill rate of 1.00	125	7453	3808									
160	Public Works	SRW Homeowners LRSA - Adjust budget to the maximum mill rate of 1.50	126	7456	3808									
161	Public Works	Talus West LRSA - Adjust budget to the maximum mill rate of 1.30	142	7433	3808									
162	Public Works	Upper O'Malley LRSA - Adjust budget to maximum mill rate of 2.00	143	7434	3808									
163	Public Works	Bear Valley LRSA - Adjust budget to the maximum mill rate of 1.50	144	7435	3808									
164	Public Works	Rabbit Creek View and Heights LRSA - Adjust budget to the maximum mill rate of 2.50	145	7436	3808									
165	Public Works	Villages Scenic Parkway LRSA - Adjust budget to the maximum mill rate of 1.00	146	7437	3808									
166	Public Works	Sequoia Estates LRSA - Adjust budget to the maximum mill rate of 1.50	147	7438	3808									
167	Public Works	Rockhill LRSA - Adjust budget to the maximum mill rate of 1.50	148	7431	3808									
168	Public Works	South Golden View RRSA - Adjust budget to the maximum mill rate of 1.80	149	7440	3808									
169	Parks and Recreation	Eagle River Parks and Recreation - Adjust budget to maximum mill rate of .50 for their operating budget, mill rate of .30 for their capital contribution, and Debt Service to amount needed	162	5470	5474	varies								
170		Total Board Requests from Service Areas with Maximum Tax Rates												
171		Running Subtotal of 2012 Proposed General Government Operating Budget					(2.00)	(16.80)	\$ 451,751,384	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,420,329	\$ 16,096,786
172														
173														
174	Amendments													
175	Parks and Recreation	Sponsor - Flynn: Amendment # 2 - Reverse Line 100 "Delete 3 full time Recreation Program Specialist II positions and create 4 seasonal part time Recreation Program Specialist II Positions."	161	5603	1000s	4,199,	-	-	144,607	-	-	-	144,607	-
176	Library	Sponsor - Flynn: Amendment # 5 - Augment library materials budget.	101				-	-	50,000	-	-	-	50,000	-
177	Police	Sponsor - Osslander: Amendment # 6 - New Record Clerk position.	151	4842	1000s	TBD	-	-	79,597	-	-	-	79,597	-

146	Assembly	<i>Sponsor: - Osslander</i> , Amendment # 8 - Ombudsman salary correction.	101	1030	1000s	1025	-	6,675	-	-	-	6,675
147	Public Transportation	<i>Sponsor: - Gray-Jackson, Drummond and Traini</i> : Amendment # 9 - Provide funding for a scheduled shuttle service during business hours between the new Anchorage Neighborhood Health Center (ANHC) and People Mover connection points. The annual cost for this service is estimated at \$120,000, ANHC scheduled to open September 2012.	101	6150	3101	N/A	-	40,000	-	-	-	40,000
148	Municipal Manager	<i>Sponsor: - Mayor</i> : Amendment # 10 - Increased funding for the Anchorage Museum per contract that provides for an annual increase based on the five-year average change in population and inflation.	101	5210	3101	N/A	-	136,260	-	-	-	136,260
149	Municipal Manager	<i>Sponsor: - Mayor</i> : Amendment # 11 - Increased funding for the Anchorage Center for the Performing Arts (ACPA) per the contract that provides for an annual inflationary adjustment.	101	5107	3101	N/A	-	65,253	-	-	-	65,253
150		Total Amendments					-	\$ 522,392	\$ -	\$ -	\$ -	\$ 522,392
151		Running Subtotal of 2012 Proposed General Government Operating Budget	(2.00)	(16.80)	\$ 452,273,776	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,942,721	\$ 16,096,786	(1)	
153	Mayor's Veto											
154	Parks and Recreation	<i>Veto</i> - Amendment # 2 (Line 143) - To preserve the savings the P&R department identified, without impacting services, by creating 4 seasonal part-time positions in place of 3 full-time positions to manage seasonal programs.	161	5603	1000s	4199,	-	(144,607)	-	-	-	(144,607)
155		Total Mayor's Veto					-	\$ (144,607)	\$ -	\$ -	\$ -	\$ (144,607)
156		Running Subtotal of 2012 Proposed General Government Operating Budget	(2.00)	(16.80)	\$ 452,129,169	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,798,114	\$ 16,096,786	(1)	
158	Assembly Veto Override											
159	Parks and Recreation	<i>Veto Override</i> - Retain Amendment # 2 (Line 143) stands.	161	5603	1000s	4199,	-	144,607	-	-	-	144,607
160		Total Assembly Veto Override					-	\$ 144,607	\$ -	\$ -	\$ -	\$ 144,607
161		Running Subtotal of 2012 Proposed General Government Operating Budget	(2.00)	(16.80)	\$ 452,273,776	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,942,721	\$ 16,096,786	(1)	
162		2011 Revised General Gov Operating Budget						\$ 443,211,855	\$ 166,065,343	\$ 27,334,907	\$ 8,975,843	\$ 225,307,034
163		Total Adjustments and Amendments						\$ 9,061,921	\$ 4,457,353	\$ 1,345,983	\$ (945,161)	\$ 3,635,687
164		2012 Approved General Government Operating Budget						\$ 452,273,776	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,942,721
165		Check with TeamBudget						(522,393)	(0)	(0)	(0)	(522,393)
166								451,751,382	170,522,696	105,042,388	8,030,682	244,517,114
167												(133,723,279)
168												1.61%
169												
170												
171												

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87	Information Technology	IT Administration - Savings in Contract Services based on analysis on average spend in prior years	607	1472, 1454, 1612, 381	N/A	-	-	(161,984)	-	(94,088)	(67,896)
88	Library	Savings from retirement of 3 positions previously filled by long term employees	101	5364	1000s	6114,	-	(36,092)	-	-	(36,092)
89	Library	Delete funded but vacant Library Assistant II position	101	5372	1000s	3819	-	(72,609)	-	-	(72,609)
90	Library	Delete funded but vacant Associate Librarian position, created in 2011 and never filled	101	5372	1000s	new02	-	(53,519)	-	-	(53,519)
91	Management and Budget	Delete funded but vacant Administrative Officer position	101	1951	1000s	1124	-	(94,529)	-	-	(94,529)
92	Management and Budget	Adjust professional services to include software maintenance and Central Services Cost Allocation Plan	101	1951	3101	N/A	-	75,000	-	-	75,000
93	Mayor	Reduce funding for professional services	101	1111	varies	N/A	-	(91,035)	-	-	(91,035)
94	Municipal Manager	Delete funded but vacant Special Administration Assistant from the Office of Emergency Management	101	1242	1000s	6966	-	(96,933)	-	-	(96,933)
95	Parks and Recreation	Horticulture - Delete 2 funded but vacant part time Gardener II positions; last filled October 2010	101	5506	1000s	129, 55f	-	(36,615)	-	-	(36,615)
96	Parks and Recreation	Recreation and Aquatics - Delete funded but vacant Lifeguard II position; last filled August 2007	101	5604	1000s	4349	-	(41,995)	-	-	(41,995)
97	Parks and Recreation	Youth Employment in Parks - Delete funded but vacant Recreation Specialist II position; last filled August 2009	101	5605	1000s	6627	-	(20,007)	-	-	(20,007)
98	Parks and Recreation	Per board decision, reduce Eagle River/Chugiak Parks & Recreation maximum tax rate for annual contribution for capital	162	5474	3901	N/A	-	(257,000)	-	-	(257,000)
99	Parks and Recreation	Reduce overtime, training and supplies expenses based on 3 year average of amount spent	161	5502, 5506, 1, 3828,	N/A	-	-	(30,437)	-	-	(30,437)
100	Parks and Recreation	Delete 3 full time Recreation Program Specialist II positions and create 4 seasonal part time Recreation Program Specialist II Positions	161	5603	1000s	4199,	-	(144,607)	-	-	(144,607)
101	Parks and Recreation	Delete 2 full time Park Caretaker positions to create 16 seasonal Park Caretaker I positions that will increase the weekly number of clean up and safety visits to parks	161	5502	1000s	344, 39-	-	(205)	-	-	(205)
102	Police	Police and Fire Retirement Medical - Increase of 12% in medical costs for Police Department Centille retirees	151	4880	3401	N/A	-	459,375	-	-	459,375
103	Police	Police and Fire Retirement Medical Trust Insurance subsidy to reimburse the Medical/Dental Self Insurance Fund (603)	151	4880	3901	N/A	-	80,105	-	-	80,105
104	Police	Contribution increase to Police and Fire Retirees Medical Administration Fund (213)	151	4880	3901	N/A	-	422	-	-	422
105	Police	Police and Fire Retirement Trust - Adjust contribution to Police and Fire Retirement Trust per actuarial report	151	4880	3901	N/A	-	(1,199,373)	-	-	(1,199,373)
106	Police	Police Academy: 30 recruits (increase of 2 from 2011 1Q Budget). Academy start late 2011	151	4825	1000s	N/A	-	1,277,506	-	-	1,277,506
107	Police	Funding of attorney fees required for litigation	151	4111	3111	N/A	-	85,000	-	-	85,000
108	Police	Realignment of labor	151	multi	multi	N/A	-	(174,331)	-	-	(174,331)
109	Police	Reduce parking enforcement costs due to transfer of services to ACDA	101	4670	3101	N/A	-	(281,180)	-	-	(281,180)
110	Police	ACDA charge to process citations issued by APD	101	4670	3101	N/A	-	60,000	-	-	60,000
111	Police	Delete funded but vacant Special Assistant to the Chief of Police position; last filled November 2010	151	4111	1000s	6508	-	(144,119)	-	-	(144,119)
112	Police	Delete funded but vacant Detective Management Clerk position; last filled May 2011	151	4710	1000s	3537	-	(77,616)	-	-	(77,616)
113	Police	Delete funded but vacant payroll clerk position due to Kronos implementation	151	4821	1000s	5549	-	(80,613)	-	-	(80,613)
114	Police	Delete funded but vacant Theft Unit Clerk position	151	4733	1000s	3588	-	(77,716)	-	-	(77,716)
115	Police	Delete funded but vacant Theft Unit Clerk position	151	4733	1000s	3594	-	(77,283)	-	-	(77,283)
116	Police	Delete funded but vacant Human Resource Manager position	151	4833	1000s	5660	-	(102,237)	-	-	(102,237)
117	Police	Delete funded but vacant Evidence Clerk position	151	4842	1000s	3624	-	(77,616)	-	-	(77,616)
118	Police	Delete funded but vacant Records Clerk position	151	4842	1000s	3563	-	(82,482)	-	-	(82,482)
119	Police	Delete funded but vacant Records Clerk position	151	4842	1000s	3604	-	(82,453)	-	-	(82,453)
120	Public Works	Charge capital projects for equipment rental associated with projects	141	7430	3702	N/A	-	(316,342)	-	-	(316,342)
121	Public Works	Reduce fleet equipment charges for equipment no longer needed that will be auctioned	141	7430	3702	N/A	-	(66,698)	-	-	(66,698)
122	Public Works	Reclass Sr. Electronic Technician position to entry level to better enable career track	101	7740	1000s	4807	-	(19,862)	-	-	(19,862)
123	Public Works	Delete 2 Engineering Tech III positions; last filled April 2010	101	7320, 7880	1000s	314, 48f	-	(93,348)	-	-	(93,348)
124	Public Works	Delete Principal Accountant Position; last filled May 2011	101	7222	1000s	4557	-	(106,311)	-	-	(106,311)
125	Public Works	Delete Technical Assistant in Traffic Division	101	7890	1000s	4846	-	(100,676)	-	-	(100,676)
126	Public Works	Reduce facility professional contractual services.	101	1657	3808	N/A	-	(100,000)	-	-	(100,000)
127	Public Works	Increase IGC charges to capital funded projects for APDES inspections and permit review	101	7324	7403	N/A	-	(50,000)	-	-	(50,000)
128	Public Works	Reduce amount available for small projects in Facility Maintenance Division; balance remaining \$1,175,963.	101	1634	3901	N/A	-	(150,000)	-	-	(150,000)
129	Public Works	Delete Realty Officer I position; last filled April 2010	101	7323	1000s	6879	-	(94,824)	-	-	(94,824)

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130	Public Works	Fuel and travel savings based on analysis of average spend in prior years in Street Maintenance Division; \$1,381,667 remains	141	7430	208,333	N/A	-	-	(110,000)	-	-	(110,000)		
131	Public Works	Savings based on analysis of average spend in prior years for repair and maintenance supplies in Street Maintenance Division; \$1,281,514 remains	141	7430	2301	N/A	-	-	(96,411)	-	-	(96,411)		
132	Public Works	Contractual savings based on analysis of average spend in prior years in Street Maintenance Division; \$1,428,028 remains	141	7430	3808	N/A	-	-	(223,763)	-	-	(223,763)		
133	Public Works	Utility savings based on analysis of average spend in prior years in the Facility Maintenance Division; \$3,354,249 remains	101	1634	3501	N/A	-	-	(100,000)	-	-	(100,000)		
134	Public Works	Savings in professional services based on analysis of average spend in prior years in the Watershed Management Division; \$434,960 remains	101	7324	3101	N/A	-	-	(150,000)	-	-	(150,000)		
135	Public Works	Delete Sr. Office Associate position; last filled October 2009	141	7430	1000s	4567	-	(1)	(82,315)	-	-	(82,315)		
136	Purchasing	Transfer 2 buyer positions from AWWU	101	1912	1000s	er1, Bu	2	201,684	-	-	-	201,684		
137	Real Estate	Delete funded but vacant Property Management Officer	101	1222	1000s	1135	-	(1)	(122,435)	-	-	(122,435)		
138	Multiple	IGC Recalculation	multi	multi	multi	N/A	-	-	258,236	1,978,104	(2,946,492)	710,152		
139		Total Expenditure Adjustments - Other					(2.00)	(16.80)	(12,109,195)	62,163	1,305,983	1,944,345	453,152	
140		Running Subtotal of 2012 Proposed General Government Operating Budget					(2.00)	(16.80)	\$ 451,751,384	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,420,329	\$ 16,096,786
141		Board Requests from Service Areas with Maximum Tax Rates												
142	Public Works	Glen Alps - Adjust budget to the maximum mill rate of 2.75	105	7450	3808									
143	Public Works	Girdwood Valley Roads - Adjust budget to Board approved road budget amount	106	7460	varies									
144	Parks and Recreation	Girdwood Valley Parks - Approved by Girdwood Board of Supervisors: Reduced contribution of \$200,000 no longer needed for construction of the library and community center, lowered current position to less hours per week, added an additional part-time position to expand its customer service operations, and also added funding to repair broken equipment and for a service maintenance contract	106	5480	varies									
145	Fire	Girdwood Valley Fire Service Area: contract funding approved by Girdwood Board of Supervisors	106	3550	3151									
146	Public Works	Birch Tree/Elmore LRSA - Adjust budget to the maximum mill rate of 1.50	111	7441	3808									
147	Public Works	Campbell Airstrip LRSA - Adjust budget to Board approved mill rate of 1.25 mills (maximum voter approved mill rate is 1.50)	112	7442	3808									
148	Public Works	Vaillu Estates LRSA - Adjust budget to the maximum mill rate of 1.40	113	7443	3808									
149	Public Works	Skybranch Estates LRSA - Adjust budget to the maximum mill rate of 1.30	114	7444	3808									
150	Public Works	Upper Grover LRSA - Adjust budget to the maximum mill rate of 1.00	115	7445	3808									
151	Public Works	Ravenwood LRSA - Adjust budget to the maximum mill rate of 1.50	116	7446	3808									
152	Public Works	Mt Park Estates LRSA - Adjust budget to the maximum mill rate of 1.00	117	7447	3808									
153	Public Works	Mt Park/Robin Hill RRSA - Adjust budget to the maximum mill rate of 1.30	118	7448	3808									
154	Public Works	CBERRRSA - Adjust tax supported budget to a mill rate amount of 2.00 and apply fund balance to retain current budget levels	119	7449	3808									
155	Public Works	Eaglewood SA - Adjust contribution to CBERRRSA to a maximum amount of 20% of total CBERRRSA operating budget	121	7432	3901									
156	Public Works	Gateway SA - Adjust contribution to CBERRRSA to a maximum amount of 15% of total CBERRRSA operating budget	122	7439	3901									
157	Public Works	Lakehill LRSA - Adjust budget to the maximum mill rate of 1.50	123	7451	3808									
158	Public Works	Tolem LRSA - Adjust budget to the maximum mill rate of 1.50	124	7452	3808									
159	Public Works	Paradise Valley LRSA - Adjust budget to the maximum mill rate of 1.00	125	7453	3808									
160	Public Works	SRW Homeowners LRSA - Adjust budget to the maximum mill rate of 1.50	126	7456	3808									
161	Public Works	Talus West LRSA - Adjust budget to the maximum mill rate of 1.30	142	7433	3808									
162	Public Works	Upper O'Malley LRSA - Adjust budget to maximum mill rate of 2.00	143	7434	3808									
163	Public Works	Bear Valley LRSA - Adjust budget to the maximum mill rate of 1.50	144	7435	3808									
164	Public Works	Rabbit Creek View and Heights LRSA - Adjust budget to the maximum mill rate of 2.50	145	7436	3808									
165	Public Works	Villages Scenic Parkway LRSA - Adjust budget to the maximum mill rate of 1.00	146	7437	3808									
166	Public Works	Sequoia Estates LRSA - Adjust budget to the maximum mill rate of 1.50	147	7438	3808									
167	Public Works	Rockhill LRSA - Adjust budget to the maximum mill rate of 1.50	148	7431	3808									
168	Public Works	South Golden View RRSA - Adjust budget to the maximum mill rate of 1.80	149	7440	3808									
169	Parks and Recreation	Eagle River Parks and Recreation - Adjust budget to maximum mill rate of .50 for their operating budget, mill rate of .30 for their capital contribution, and Debt Service to amount needed	162	5470	5474	varies								
170		Total Board Requests from Service Areas with Maximum Tax Rates												
171		Running Subtotal of 2012 Proposed General Government Operating Budget					(2.00)	(16.80)	\$ 451,751,384	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,420,329	\$ 16,096,786
172														
173														
174	Amendments													
143	Parks and Recreation	Sponsor - Flynn: Amendment # 2 - Reverse Line 100 "Delete 3 full time Recreation Program Specialist II positions and create 4 seasonal part time Recreation Program Specialist II Positions."	161	5603	1000s	4,199,			144,607				144,607	
144	Library	Sponsor - Flynn: Amendment # 5 - Augment library materials budget.	101						50,000				50,000	
145	Police	Sponsor - Osslander: Amendment # 6 - New Record Clerk position.	151	4842	1000s	TBD			79,597				79,597	

146	Assembly	<i>Sponsor: - Osslander</i> , Amendment # 8 - Ombudsman salary correction.	101	1030	1000s	1025	-	6,675	-	-	6,675		
147	Public Transportation	<i>Sponsor: - Gray-Jackson, Drummond and Traini</i> : Amendment # 9 - Provide funding for a scheduled shuttle service during business hours between the new Anchorage Neighborhood Health Center (ANHC) and People Mover connection points. The annual cost for this service is estimated at \$120,000, ANHC scheduled to open September 2012.	101	6150	3101	N/A	-	40,000	-	-	40,000		
148	Municipal Manager	<i>Sponsor: - Mayor</i> : Amendment # 10 - Increased funding for the Anchorage Museum per contract that provides for an annual increase based on the five-year average change in population and inflation.	101	5210	3101	N/A	-	136,260	-	-	136,260		
149	Municipal Manager	<i>Sponsor: - Mayor</i> : Amendment # 11 - Increased funding for the Anchorage Center for the Performing Arts (ACPA) per the contract that provides for an annual inflationary adjustment.	101	5107	3101	N/A	-	65,253	-	-	65,253		
150		Total Amendments					-	\$ 522,392	-	-	\$ 522,392		
151		Running Subtotal of 2012 Proposed General Government Operating Budget	(2.00)	(16.80)	\$ 452,273,776	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,942,721	\$ 16,096,786	(1)		
153	Mayor's Veto												
154	Parks and Recreation	<i>Veto</i> - Amendment # 2 (Line 143) - To preserve the savings the P&R department identified, without impacting services, by creating 4 seasonal part-time positions in place of 3 full-time positions to manage seasonal programs.	161	5603	1000s	4199,	-	(144,607)	-	-	(144,607)		
155		Total Mayor's Veto					-	\$ (144,607)	-	-	\$ (144,607)		
156		Running Subtotal of 2012 Proposed General Government Operating Budget	(2.00)	(16.80)	\$ 452,129,169	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,798,114	\$ 16,096,786	(1)		
158	Assembly Veto Override												
159	Parks and Recreation	<i>Veto Override</i> - Retain Amendment # 2 (Line 143) stands.	161	5603	1000s	4199,	-	144,607	-	-	144,607		
160		Total Assembly Veto Override					-	\$ 144,607	-	-	\$ 144,607		
161		Running Subtotal of 2012 Proposed General Government Operating Budget	(2.00)	(16.80)	\$ 452,273,776	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,942,721	\$ 16,096,786	(1)		
162		2011 Revised General Gov Operating Budget						\$ 443,211,855	\$ 166,065,343	\$ 27,334,907	\$ 8,975,843	\$ 225,307,034	(1)
163		Total Adjustments and Amendments						\$ 9,061,921	\$ 4,457,353	\$ 1,345,983	\$ (945,161)	\$ 3,635,687	\$ 568,059
164		2012 Approved General Government Operating Budget						\$ 452,273,776	\$ 170,522,696	\$ 28,680,890	\$ 8,030,682	\$ 228,942,721	\$ 16,096,786
165		Check with TeamBudget						(522,393)	(0)	(0)	1.61%	(522,393)	
166								451,751,382	170,522,696	105,042,388	8,030,682	244,517,114	
167								(133,723,279)					

2012 Approved General Government Operating Budget

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Appendix U

Submitted by: Chair of the Assembly at the Request of the Mayor
 Prepared by: Office of Management and Budget
 For reading: December 6, 2011

CLERK'S OFFICE
APPROVED

Date: 12-6-11
 IMMEDIATE RECONSIDERATION
 FAILED 12-6-11

ANCHORAGE, ALASKA
 AO No. 2011-101(S)

1 AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE ADOPTING THE 2012
 2 GENERAL GOVERNMENT CAPITAL IMPROVEMENT BUDGET

3
 4 WHEREAS, the Mayor has presented the Proposed 2012 General Government
 5 Capital Improvement Budget (CIB) for the Municipality of Anchorage to the Assembly
 6 in accordance with Article XIII, Section 13.03 of the Municipal Charter; and

7
 8 WHEREAS, on October 25, November 8, and November 22, 2011 duly advertised
 9 public hearings were held in accordance with Article XIII, Section 13.04 of the
 10 Municipal Charter; now, therefore,

11 THE ANCHORAGE ASSEMBLY ORDAINS:

12
 13 **Section 1.** The Proposed 2012 General Government CIB is hereby approved for
 14 the Municipality of Anchorage, subject to receipt and appropriation of the necessary
 15 funds.
 16

17
 18 **Section 2.** The anticipated 2012 appropriations by fund are as follows (000)s:

Fund Title	Bonds	State	Federal	Other	Total
		51,280			\$58,230
401 Areawide General CIP	1,460	48,305	2,400	3,090	\$56,255
404 Chugiak Fire CIP	-	400	-	40	\$440
406 Girdwood Valley Service Area CIP	-	8,580	-	-	\$8,580
409 Misc Capital/Pass-Thru	-	22,930	-	-	\$23,050
Chugiak Birchwood/Eagle River Rural Road Service	-	22,880	-	120	\$23,000
419 Area CIP	-	35,500	-	1,200	\$36,700
421 Heritage Land Bank CIP	-	10,000	-	-	\$10,000
		2,500			\$2,500
431 Anchorage Fire Service Area CIP	-	4,500	-	-	\$4,500
441 Anchorage Roads and Drainage Service Area CIP	27,172	214,015	-	-	\$241,187
		21,208			\$21,208
451 Anchorage Metropolitan Police Service Area CIP	-	23,008	-	-	\$23,008
461 Anchorage Parks & Rec Service Area CIP	2,750	6,013	-	50	\$8,813
462 Eagle River/Chugiak Parks CIP	-	250	-	-	\$250
		2,575			\$6,345
485 Public Transportation CIP	428	75	3,342	-	\$3,845
606 Fleet Service	-	-	-	6,200	\$6,200
608 Information Technology CIP	-	935	200	3,015	\$4,150
Total	\$ 31,810	\$376,186	\$ 5,942	\$ 13,715	\$427,653
		\$364,461			\$416,928

19

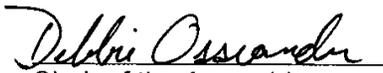
1 **Section 3.** The anticipated 2012 appropriations by department are as follows (000)s:

Department	Bonds	State	Federal	Other	Total	
Anchorage Fire	520	2,900	-	40	\$3,460	
		3,708			\$3,708	
Anchorage Police	-	5,508	-	-	\$5,508	
Information Technology	-	935	200	3,015	\$4,150	
		2,625			\$3,465	
Library	-	125	-	840	\$965	
Parks & Recreation	2,250	4,600	-	50	\$6,900	
		2,575			\$6,345	
Public Transportation	428	75	3,342	-	\$3,845	
		348,843			\$389,625	
Public Works	28,612	350,318	2,400	9,770	\$391,100	
Real Estate	-	10,000	-	-	\$10,000	
	Total	\$ 31,810	\$376,186	\$ 5,942	\$ 13,715	\$427,653
						\$364,461
						\$415,928

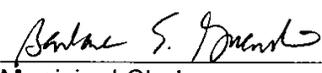
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Section 4. This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 6th day of December, 2011.


Chair of the Assembly

ATTEST:


Municipal Clerk

MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM

AM No. 555-2011(A)

Meeting Date: December 6, 2011

1 **From: MAYOR**

2

3 **Subject: AN ORDINANCE ADOPTING THE 2012 GENERAL GOVERNMENT**
4 **CAPITAL IMPROVEMENT BUDGET**

5

6 The attached Assembly Ordinance adopts the amended Proposed 2012 General
7 Government Capital Improvement Budget as revised in AO2011-101(S).

8

9 THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE
10 ADOPTING THE 2012 GENERAL GOVERNMENT CAPITAL IMPROVEMENT
11 BUDGET

12

13 Prepared by: Cheryl Frasca, Director,
14 Office of Management and Budget
15 Concur: Dennis A. Wheeler, Municipal Attorney
16 Concur: George J. Vakalis, Municipal Manager
17 Respectfully submitted: Daniel A. Sullivan, Mayor

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Appendix V
SIX YEAR FISCAL PROGRAM
2012-2017



Municipality of Anchorage

Dan Sullivan
Mayor

September 30, 2011

MUNICIPALITY OF ANCHORAGE
Six Year Fiscal Program
2012 - 2017

Dan Sullivan, Mayor

ASSEMBLY

Debbie Ossiander, Chair
Ernie Hall, Vice-Chair
Chris Birch
Harriet Drummond
Patrick Flynn
Elvi Gray-Jackson
Paul Honeman
Jennifer Johnston
Bill Starr
Dick Traini
Adam Trombley

ADMINISTRATION

Larry Baker..... Chief of Staff
Lucinda Mahoney..... Chief Fiscal Officer
George Vakalis..... Municipal Manager
Cheryl Frasca..... OMB

PREFACE

In accordance with the Municipal Charter, the Mayor is required to submit to the Assembly a "six-year program for public services, fiscal policies, and capital improvements of the Municipality. The program shall include estimates of the effect of capital improvement projects on maintenance and personnel costs."

Like all responsible governments, the Municipality of Anchorage must provide its citizens with an acceptable level of critical public services. The purpose of this "Six Year Fiscal Program" is to provide a financial plan to provide services demanded by the public for review and consideration.

The "Six Year Fiscal Program" is intended to encourage a balanced approach towards responding to ever changing fiscal conditions. Achieving balance starts with a mindful approach and engaged activities to keep the cost of local government in focus. In addition to cost containment, other fiscal strategies include economic development, expenditure reductions and revenue enhancements. Key strategic policy decisions will need to be made in order to determine exactly what the appropriate balance point should be.

Detailed demographic and financial information about Anchorage are available at, Municipal libraries and the Municipal web site at www.muni.org. Relevant documents include:

- Comprehensive Annual Financial Reports
- General Government Operating Budgets
- General Government Capital Budgets/Programs

SIX YEAR FISCAL PROGRAM 2012 – 2017

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**1. MAJOR SIX YEAR STRATEGIC PLAN, VISION, MISSION,
VALUES AND GOALS**

The City of Anchorage has a set of overarching goals that were identified by the Mayor and his Administration. The goals presented herein are the program and service areas in which the Administration intends to focus over the next few years.

Strategies for accomplishing these goals have been developed and are in process of being implemented. Departments are responsible for monitoring their business plans so that they are in alignment with the City's goals. The Performance.Value.Results program was implemented in 2010 with the goal of measuring performance relative to the strategy. Departments developed specific performance measures. The measures are included in the budget book and are also available on the City's web site. Aligning priorities with services helps departments manage their resources effectively and measure their progress more accurately.

Although not specifically mentioned, we will continue to provide other basic services to the public.

The Municipality's Strategic Plan, including our Values, Mission, Vision, Elements and Goals, provides an overall direction for carrying out the activities of the Municipality in order to best meet the needs of the people who live and work here.

Such a plan aligns our priorities with financial resources and allows for a more informed and in-depth annual discussion of how best to achieve the desired results on behalf of the community. The Strategic Plan is intended to be a living document and, as such, will be modified to adapt to events in our ever-changing world.

Values: Describe the qualities and behaviors that are core to our organization. They are our foundation and determine the rightness of our direction. Our core values include:

- ❖ Safety - providing for the safety and well-being of our community
- ❖ Excellence - passion to do our best every day
- ❖ Stewardship - using our time and resources wisely
- ❖ Integrity - doing the right thing, not the easy thing
- ❖ Accountability - accountable to the community for our actions

Mission: Our mission is *“To provide and maintain effective and fiscally responsible municipal services that foster a high quality of life”*.

Vision Elements: Our vision elements are:

- ❖ Exemplary Municipal Operations - described as; effective and efficient service delivery and exceptional customer service.
- ❖ A Safe Place to Call Home - described as; low violent crime, timely fire and ambulance response, safe neighborhoods and parks, well prepared for emergencies, solutions for our homeless population.
- ❖ Flourishing, Broad-based, and Sustainable Economy - described as; fiscal stability, predictable diversified taxes, stable property taxes. Favorable bond ratings. Reliable long-term sources of energy. Stable and efficient regulatory environment that doesn't discourage business development. Incentives for redevelopment.
- ❖ Inviting Place to Live, Work and Play - described as; a diverse community with unity of purpose, high quality education, lifelong learning second to none and sufficient infrastructure to support health care, and cultural and recreational activities.
- ❖ A Premier Destination - described as; a vibrant downtown, major events hosted, visitor friendly and a signature feature.

Goals: Our strategic goals and related strategies are:

1. *Improve the Efficiency and Effectiveness of Municipal Operations*

- a. Restructure local government to match the organization with its mission and streamline processes to improve internal and external service delivery
- b. Establish a system to measure and communicate operational performance
- c. Revise labor ordinances and personnel rules to maximize efficiencies
- d. Optimize information technology to improve business performance
- e. Develop and implement a facilities management plan that ensures efficient and full utilization of space, including use of our recreational and cultural public facilities
- f. Improve street maintenance (snow removal, potholes, street sweeping and striping)
- g. Pursue privatization and managed competition

2. *Strengthen Public Safety*

- a. Improve management and deployment of all public safety resources
- b. Reduce social and fiscal impact of chronic public inebriates
- c. Achieve compatibility of communication systems between agencies
- d. Develop and exercise a crisis management plan
- e. Maintain building codes to reflect safe building standards rationalized to Alaska
- f. Promote citizen responsibility for a safe community

3. *Achieve Fiscal Sustainability*

- a. Develop a realistic six year fiscal plan
- b. Reduce/hold the line on property tax
- c. Maintain a favorable bond rating
- d. Operate at, or below, current budgets
- e. Instill department accountability for financial management

4. *Improve the Transportation Systems*

- a. Improve traffic flow
 - i. Connect major roadways

- ii. Improve high volume intersections
- iii. Evaluate signalization
- b. Extend life cycle of roads
- c. Maintain a robust transit system that serves as an affordable and reasonably convenient mode of transportation, particularly to employment centers.
- d. Coordinate transportation improvements and extensions with Anchorage Water and Wastewater Utility water and sewer extensions.

5. Achieve a Stable and Reliable Source of Energy

- a. Develop a stable and economical short-term energy plan to deal with any shortages
- b. Identify and advocate for new energy sources
- c. Advocate for a regulatory environment that doesn't discourage development in Cook Inlet
- d. Encourage the Regulatory Commission of Alaska to be responsive to supply and demand
- e. Develop and implement a long-term energy conservation plan
- f. Develop a communications vehicle to make the public aware of critical issues
- g. Explore merging of utilities in the Municipality of Anchorage
- h. Continue working with the Energy Task Force

6. Promote Economic Development

- a. Attract additional economic development opportunities
- b. Foster a vibrant oil and gas industry
- c. Support the University of Alaska Anchorage's and the Anchorage School District's workforce development programs
- d. Investigate opportunity for Winter Olympics
- e. Advance relationships with Anchorage Economic Development Corporation (AEDC); Anchorage Convention and Visitors Bureau; Anchorage Community Development Authority; and CivicVentures, an Alaska non-profit corporation
- f. Evaluate stable business taxes and user fee structures

- g. Streamline our permitting and plan process to be more attractive to business and establish time limits for plans and warranty approvals.
 - h. Judiciously use development tools; such as, tax deferrals and abatements, to encourage new business
 - i. Set priorities for publicly-funded infrastructure in order to support infill and redevelopment of major employment centers and community centers in accordance with the comprehensive plan's intended pattern of growth.
7. Improve community relations and earn a positive public opinion as to the Sullivan Administration's overall performance and the delivery of core services
- a. Maintain open, cordial and professional relationships with the public and media
 - b. Achieve an organization culture that puts a high value on community service and accountability
 - c. Promote diversity awareness in the community and encourage unity in the pursuit of common goals
 - d. Promote volunteerism and non-profit groups to provide community service
8. Enhance academic excellence and learning while maintaining cost-effectiveness
9. Maximize Federal and State support for priority programs and projects
10. Work effectively with the Municipal Assembly

Capital Projects

Capital project requests from Federal, State and local sources will focus on transportation, energy, and public health and safety. The Municipality of Anchorage (MOA) can expect more limited funding availability from outside sources. In turn, we need to maintain our favorable bond ratings by limiting per capita debt. We will continue to seek favorable debt refunding opportunities to decrease interest rates and long-term debt obligations.

The capital program will be based on the premise that we must first adequately maintain our current assets before we add any significant new projects with high operation and maintenance costs. The Sullivan Administration's goal is to avoid an increase in overall debt during the forecasted time period. In aggregate, over the next six years, we expect to pay down existing debt in an amount greater than newly issued debt going forward.

2. ECONOMIC TRENDS AND INDICATORS

Introduction

A year ago, AEDC noted that the national and global economies had stabilized after a deep recession, but also warned that the road to recovery would be a bumpy one. Six months ago, AEDC cited renewed job growth for Anchorage, improvement in the Anchorage Business Confidence Index, and clear signs of recovery in the national economy. In the first half of 2011, however, U.S. economic indicators weakened – from housing and gross domestic product, to jobs and the unemployment rate – and the recovery looks more tenuous.

As a reminder of the relevance of the U.S. economy to Anchorage, in 2009 the national recession pushed seven out of the eight indicators AEDC tracks and forecasts into negative territory. All but one of the indicators then turned positive in 2010 as the national economy stabilized.

But as AEDC and others have noted, Alaska has also been partially sheltered from the national economic storm. That will continue to be the case as long as oil prices remain high. Simply stated, oil revenue has generated large state government surpluses, which have allowed Alaska to invest, build, and provide crucial economic stability during a period when most other states are cutting budgets, services, and jobs.

Looking ahead to the remainder of 2011 and the 2012-14 forecast period, Alaska and Anchorage are still in a position of relative economic strength, and modest growth is forecasted in all eight of the indicators discussed below.

Population

A city with a growing population, all other things being equal, is a city with a growing economy. Anchorage's population in 2010, according to the U.S. Census, was 291,826, a 12% increase since the 2000 Census was taken. Anchorage's population growth for

the decade was slightly below the statewide percentage of 13%, but a notch above the national growth rate of 10%.

Looking ahead, most of Anchorage's population growth will continue to come from natural increase (births minus deaths). Net migration numbers turned positive in 2009 after two years of losses and will likely stay positive for as long as Anchorage's job market and economy remain healthy compared to other U.S. cities.

AEDC forecasts population growth of 1.7% in 2011, decelerating slightly over the next three years to 1.2% as the U.S. economy improves and migration gains slow.

Employment

A decline of 900 jobs in 2009 ended Anchorage's 20-year streak of job gains, but growth resumed – by a slim margin – in 2010. Preliminary numbers for 2011 show continued growth, thanks mostly to health care, professional and business services, and leisure and hospitality. Government jobs are down 260 through May compared to the same five months in 2010.

After years of steady losses, construction jobs have leveled off and the preliminary 8,300 May job count matched May 2010 numbers. The last time May construction jobs equaled or exceeded year-ago levels was 2005 when the job count was 18% higher at 9,800. Construction activity reaches its seasonal peak in August, but the early summer numbers suggest better news for the industry.

Health care deserves mention for its perpetual growth, irrespective of whether the economy is in expansion, recession, or recovery mode. Through May, health care's job count is up 740 over the same five-month period in 2010, and as Baby Boomers enter their senior years, more growth is nearly certain from 2012-14.

Health care-related construction is also one of the few bright spots in private sector commercial construction. Providence's \$150 million "Generations" project, which is expanding and renovating the maternity center and expanding cardiac surgery facilities, is the largest private project in progress in 2011 with construction expected to last through 2014.

AEDC forecasts employment growth of around 1% for 2011 and 2012, accelerating slightly in to 1.5% annually in 2013 and 2014.

Personal Income

Personal income is a broad measure of economic health that includes employment income as well as income from other sources such as investments (ex: dividends, rental income) and government transfer payments (ex: Social Security, Permanent Fund Dividend (PFD)).

Of Anchorage's \$17.5 billion in 2009 personal income, 69% came from employment (including self-employment income), 16% from investments and other non-employment sources, and 15% from government transfer payments (virtually all of which came from Permanent Fund Dividends (PFD)).

Anchorage personal income fell in 2009 for the first time in decades as a result of the recession and the drop-off from 2008's especially large PFD and one-time "resource rebate." Data for 2010 is not yet available for Anchorage, but personal income for Alaska increased by almost 4% and Anchorage personal income likely grew by a similar percentage in 2010.

AEDC forecasts personal income growth of 3.9% in 2011, accelerating to 5.2% by 2014 as general economic conditions improve outside Alaska's borders and local conditions remain mostly favorable.

Anchorage Passenger and Freight Volume

Nearly 5 million people passed through the Ted Stevens Anchorage International Airport in 2010, a 2% increase over 2009 numbers. There is still a significant amount of pre-recession ground to recover, however, after the 9% drop in 2009.

The first four months of 2011 looked strong with passenger traffic up 6%. This indicator is particularly dependent on the U.S. economy. Consumer confidence has weakened in recent months and travel is often a discretionary purchase that can be delayed or foregone. Nevertheless, Anchorage air passenger traffic is expected to continue its rebound in 2011, climbing 4%, followed by slightly slower growth over the next three years due to more conservative consumer spending.

Cargo traffic through the airport provides a uniquely direct insight into the economic health of the national and international economies. Cargo volume through Anchorage closely mirrored the timing of the recession: volume peaked in December 2007 at nearly

300,000 tons then fell in fits and starts to a low of just under 100,000 tons in April 2009. Not coincidentally, the National Bureau of Economic Research – the acknowledged authority in dating U.S. recessions – determined that the U.S. recession began in December 2007 and ended in June 2009.

The volume of air cargo through the airport bounced back to about 90% of pre-recession highs in 2010. Airport officials noted the growth in air cargo slowed and are expecting flatter growth for the rest of 2011 and the next several years.

AEDC forecasts growth of 0.5% in air cargo volume in 2012 followed by growth of 2% in both 2013 and 2014 in general correlation with global economic conditions.

Building Permit Values

The value of Municipality of Anchorage building permit applications provides a partial measure of new construction activity in Anchorage.

Residential permit values, not including townhouses, condominiums, and apartment buildings, which are counted as commercial, increased by 12% in 2010 – the first annual increase since 2003. The numbers continued to climb through the first quarter of 2011 and the \$23 million permitted was the highest first quarter total since 2007.

Commercial construction permits fell 3% in 2010, and at \$227 million are also significantly down from highs earlier in the decade. Commercial permitting hit a high point in 2006 at \$412 million. First quarter numbers from 2011 were up, with \$80 million permitted, almost twice the \$41 million permitted in the first quarter of 2010.

Government construction permitting numbers are especially volatile, ranging from \$2 million in some quarters to more than \$100 million in others. The annual numbers, which smooth some of that volatility, show a decline from 2009's \$85 million to \$43 million in 2010. First quarter 2011 numbers were also down from first quarter 2010, although figures can be misleading considering much of the state capital budget money being spent is on transportation projects.

AEDC forecasts that the combined building permit numbers will increase for the first time in five years in 2011 and continue to rise at about 5% a year over the 2012-14 as the investment climate slowly improves.

Port of Anchorage Freight Volume

The total volume of freight that moved through the Port of Anchorage in 2010 was up 4% from 2009 to 4 million short tons, though still well off 2005's high point of 5 million short tons. Through the first four months of 2011, overall tonnage is up an estimated 20% over the year, due primarily to an increase in tanker port calls and, to a lesser degree, an increase in vehicle deliveries.

Following what is expected to be a solid growth year in 2011 of 5%, port officials expect more modest increases over the 2012-14 period. Assuming no unexpected shocks to the local or outside economies, petroleum shipments in support of air cargo is expected to show moderate growth and shipment of other goods is expected to be flat or slightly positive.

AEDC forecasts a freight volume increase of 1.9% in 2012, growing incrementally to 2.5% annually by 2014.

Visitor Numbers

Statewide, early indicators for 2011 are generally positive and total visitor numbers are expected to be up slightly from last year. The number of visitors who came to Alaska by highway or ferry – though small compared to visitors who come on cruise ships or by air – were both up noticeably in 2010 for the first time in years, and Anchorage bed taxes were up 7% in 2010. Car rental taxes were up 8% in 2010 and both bed taxes and car rental taxes were up 8% over the year in the first quarter of 2011 and this trend continued through the second quarter of 2011.

Much of the cruise ship-related visitor traffic through Anchorage comes at the beginning or end of one-way itineraries, but for the second season in a row Holland America's Amsterdam made a port of call in Anchorage every other Friday with a capacity of about 1,400 passengers and 600 crew members. Silver Seas and Oceana cruise lines also made port calls in Anchorage for the first time in 2011. In all, the three lines made a total of 11 calls during the 2011 season.

Total Alaska cruise passenger volume peaked at just over 1 million in 2008 before dropping to about 880,000 in 2010 due to the redeployments. In total, 885,000 cruise passengers are expected to visit Alaska in 2011, increasing to 930,000 passengers in 2012.

Challenges Ahead

Despite the forecasted gains, there are two economic clouds on the horizon. How they develop and how the city and state prepare for them will consume much of the economic and political discussion over the next decade.

The first is the near certain belt-tightening by the federal government, which has always played an outsized role in the health of the Alaska and Anchorage economies compared to most other U.S. states and cities. Everyone from the Federal Reserve to credit rating agency Standard and Poor's have warned that current deficit levels are unsustainable, leaving little doubt that cuts are coming. *When* they come is still uncertain and the democratic process is not a fast one, so the heaviest impacts will likely come farther down the road than the 2012-14 period.

The other challenge facing Anchorage and the state in the coming years is the ongoing decline in oil production. The issue is not new or unexpected – Prudhoe Bay is the largest oil field in North America and the 18th largest ever discovered in the world, so production declines after a certain point were part of the bargain – but the issue becomes more pressing as declines continue. Since reaching a peak of more than two million barrels a day in 1989, production has steadily fallen and averaged 607,000 barrels a day through the first half of calendar year 2011.

The development of several smaller new fields has slowed the decline and there is significant potential for more onshore and offshore Alaska oil to be produced, but reversing the decline will be a major undertaking whose feasibility depends both on world market conditions and the politics of taxes and environmental regulations. In the longer-term, demand for oil is expected to grow and higher prices have given many oil-producing regions new life.

A resurgent interest in oil would be even more important to Alaska considering that prospects for a natural gas pipeline have dimmed. Long believed to be the next big thing for Alaska, a pipeline through Canada looks less likely after BP and ConocoPhillips announced they were abandoning their joint venture Denali Project. A separate project led by TransCanada is still being pursued although a fall in natural gas prices due to large scale development of shale gas in the U.S. is a significant hurdle.

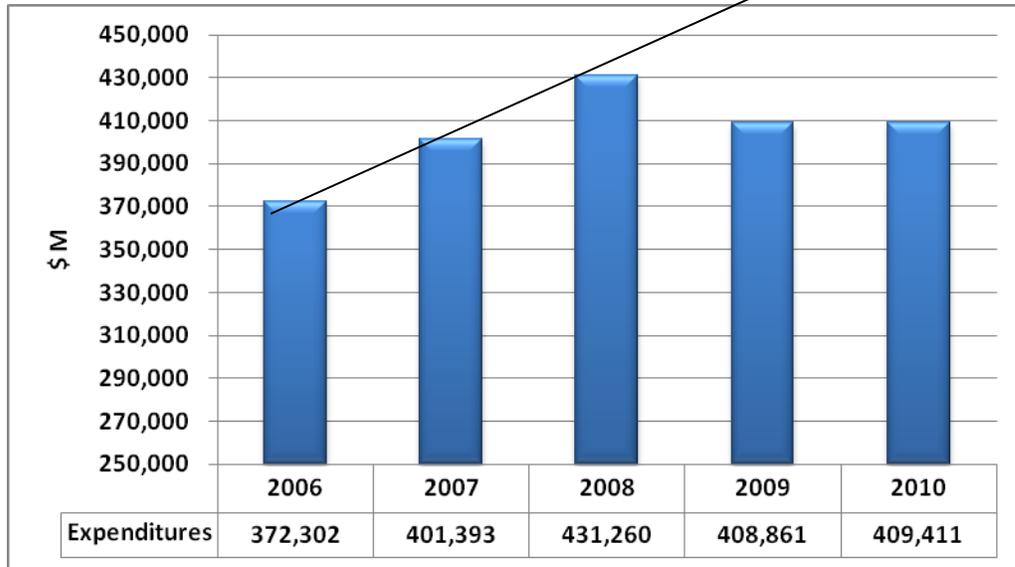
Ultimately, it is very clear that the health of the Anchorage and Alaska economies is closely tied to the state's abundant natural resources. Of those resources, oil has easily been the most important economically for at least the last 30 years, and will likely remain so for the foreseeable future.

3. HISTORICAL FINANCIAL TRENDS

When the Sullivan Administration took office in 2009, the national economy was in the midst of what was later referred to as the Great Recession with nearly 10% national unemployment and millions of homes in foreclosure. Anchorage was significantly impacted by the effects of the national recession, particularly in the areas of construction, tourism and investment income. Fortunately, the impact to Anchorage and Alaska was not as severe as other parts of the country. Due to a sudden major decline in 2008 investment income and unrealistically budgeted revenues for public safety and public finance in 2009, the Sullivan Administration was compelled to take immediate corrective action to reduce expenditures in order to better align with newer expectations. While nearly \$10 million of revenue shortfall was identified, tens of millions of dollars of additional future costs tied to new labor contracts approved in 2008 served to add many times greater magnitude to the long-term fiscal problems faced by the City.

The graph below depicts the actual expenditure trends from 2006 to 2010 for Anchorage general government. Clearly, the trajectory of expenses established as far back as 2006 did not offer a long-term sustainable course for the City, particularly in the midst of severe market declines and a severe national recession. As a result of budget cutting measures implemented in years 2009-2010 and further into 2011, the Sullivan Administration has successfully turned back time to a more sustainable level of government, with healthier fund balances, high bond ratings and more efficient delivery of city services. This proactive and serious approach to addressing past, current and future budget shortfalls has served the City well and kept it from falling into a fiscal hole that countless other local and state governments around the country have experienced during this recessionary period.

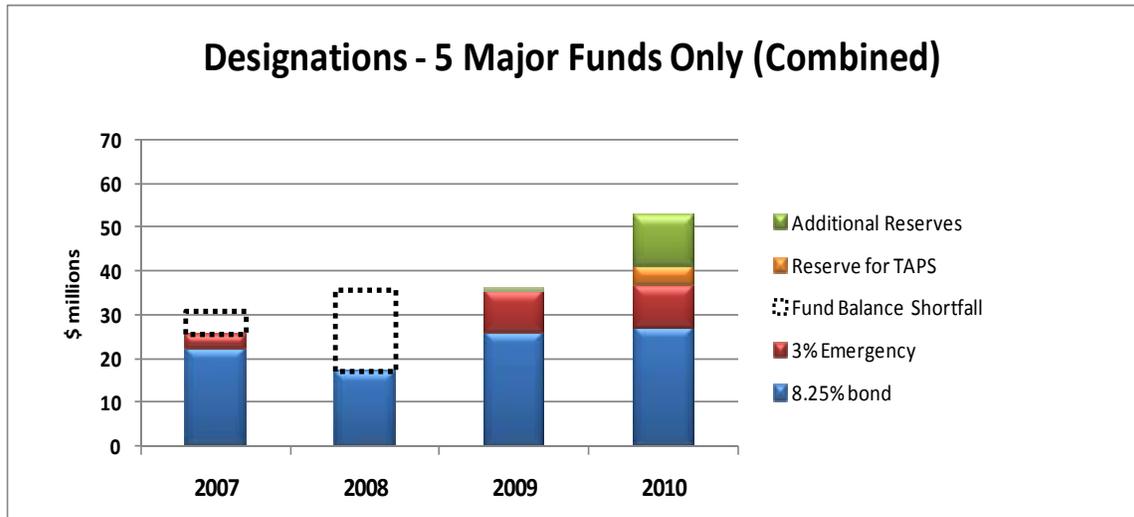
**MOA General Government Actual Expenditures
2006 to 2010**



Source: MOA OMB and MOA Controller

The financial impact of reducing the expenditures in 2009 and 2010 enabled the MOA to restore its fund balance sufficient to earn a AA+ rating from Fitch Ratings (Fitch) and AA from Standard and Poor's. Fund balance is the difference between the revenues and expenditures of a governmental fund and is one of the key indicators of financial health. The MOA has an internal fund balance policy that requires 8.25% of revenues to be set aside to ensure investors of our bonds that we have a reserve to pay our annual debt service. Additionally, another 2% to 3% is set aside for potential emergencies. The following graph depicts the historical fund balance trends, for the five primary general government funds, from 2007 to 2010.

Municipality of Anchorage
Fund Balance
2007 to 2010



As noted in the graph above, in 2007 and 2008, fund balance reserve requirements were not attained. In 2009, fund balance was restored to the MOA internal policy amount. In 2010, additional fund balance reserves were used to fund a police academy, provide property tax relief, and to pay off loans and liabilities that occurred prior to July 2009. Reduced liabilities included retiring of a loan to Municipal Light and Power, and funding to clean up environmental contamination at Kincaid Park and Reeve Boulevard.

MOA Bond Rating Discussion

The MOA currently enjoys the benefits of being a highly rated governmental entity by two rating agencies. The MOA is rated AA by Standard and Poor's and AA+ by Fitch, both with a Stable Outlook. These benefits include a low cost of borrowing in the capital marketplace. The MOA issued \$61.640 million of bonds in May 2011 and the two rating agencies reaffirmed their ratings of the MOA, including the Stable Outlook. The report by Fitch affirmed the MOA's "AA+" rating and Stable Outlook, citing various inherent credit strengths that figured prominently in the rating review process. Two key rating drivers identified by Fitch included:

- Maintenance of structural budget balance and adequate reserve levels in the face of cost pressures; and
- Performance of the local and state economy.

However, the report also included the comment that the MOA's "...*current reserve position is somewhat below average for this rating level.*"

Rating agencies have long held that a credit rating is a composite of quantitative factors (e.g. financial ratios) and qualitative characteristics, such as strength of management. Local government ratings are based on the following four credit factors:

- Economic Strength,
- Financial Strength,
- Management and Governance, and
- Debt Profile.

In determining a rating, the rating agencies compare the MOA to other issuers with similar characteristics. The importance of these so-called "peer comparisons" in the credit rating process has risen as the rating agencies face increased scrutiny over the appropriateness and accuracy of their ratings. But while the rating agencies have published reports acknowledging the importance of such peer analysis, it has avoided stating what financial and debt ratio levels correspond to specific rating categories.

The fact that the MOA's ratings were affirmed earlier this year is evidence that its' "below average" reserve level is not – in and of itself – a ratings driver. However, the level of importance of such balances in the ratings process may increase if the MOA begins to experience weakness in other credit areas and the balances are projected to be insufficient to offset these declines should the downward trend continue.

At this time, neither rating agency has indicated to MOA management that there is a rating action being contemplated, either positive or negative.

Fund Balance Discussion

Our financial advisors from First Southwest Company (First Southwest) have recently advocated “a change in the MOA’s fund balance reserve policy such that its ratios would be more in line with those of its peers”. First Southwest also sent us a review of other cities rated Aa1 and Aa2 by Moody’s and their respective ‘Unreserved General Fund Balance as a percent of Revenues’. The review included ten cities rated Aa1 with an average fund balance of 19.7% and a range of 9% to 33%. The review also included sixteen cities rated Aa2 with an average fund balance of 14.2% and a range of 2% to 24%. The MOA’s rating by Fitch of AA+ compares to a rating by Moody’s of Aa1. The MOA’s rating by Standard and Poor’s of AA compares to a rating by Moody’s Aa2. The MOA is in the process of evaluating its fund balance reserve policy to ensure a financially sound position. A change in the MOA’s fund balance policy to move it toward the average of either one of these two averages, over time, is currently under consideration.

4. FISCAL PROJECTIONS AND STRATEGIES

As we look to the future, Alaskan economic trends are modestly positive, with indications of slow growth. The national economic downturn continues and slow, prolonged recovery is expected. The impact of the national economy and future budgetary decisions by Congress could put additional pressure on Anchorage's economy, although the magnitude and timing of these factors cannot be accurately predicted. Compounding the uncertainty of revenue forecasts are the continued increases in expenses facing the Municipality in 2012 and later. The resulting balancing effort is consequently more complex when attempting to match revenue with services.

Near-term, some key fiscal challenges that could negatively impact projections include:

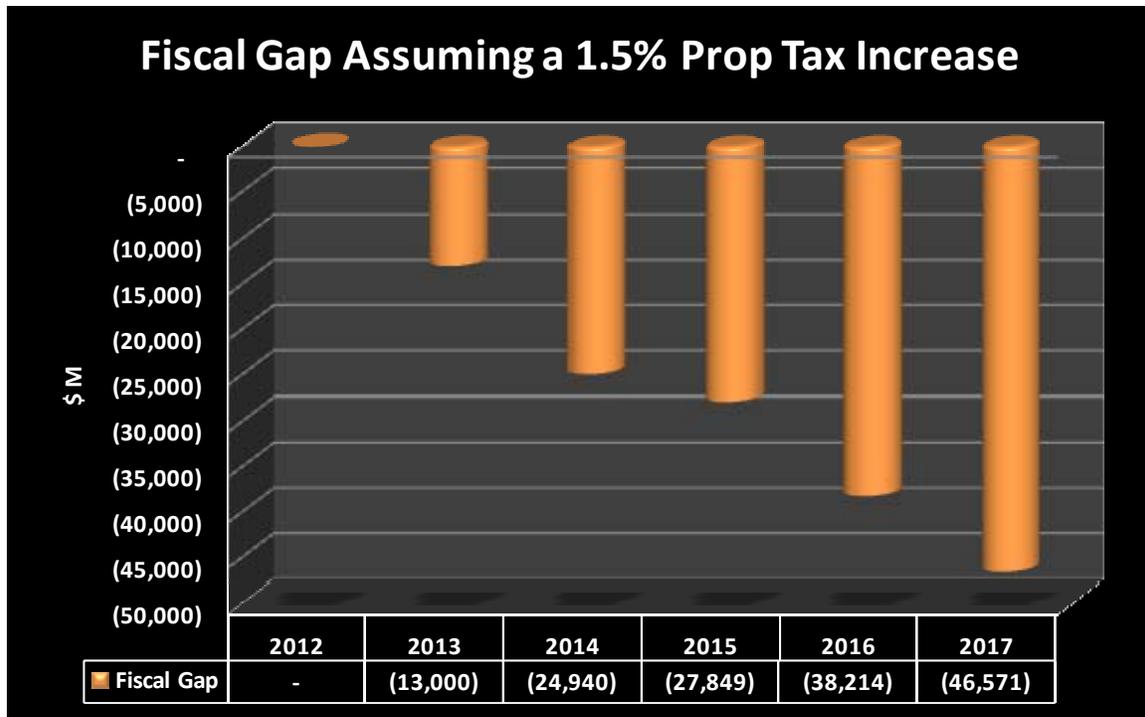
- Increased potential for continued, slow economic conditions, including the possibility of a second recessionary period;
- Potential volatility in oil prices and its effect on State Revenue Sharing;
- Potential cuts to federal grant and program revenues and federal legislation affecting the amount of discretionary personal income;
- Further increases to labor costs and health care costs many times greater than the current and projected Consumer Price Index;
- Potential increase in borrowing costs and inflation-based costs due to sudden increases in interest rates and inflation;
- Potential negative final court ruling associated with the Trans Alaska Pipeline (TAPS) property tax litigation which, if both sides' claims were split, could result in a payback of \$7.5 million;
- Unanticipated legal liabilities; and
- Likelihood of an upward adjustment in the actuarial required contribution to the Police and Fire Retirement System pension plan, due to further recent declines in the market value of the plan and/or modifications to the amortization period.

Long-term, some key potential fiscal opportunities that could positively impact projections include:

- Avoidance of a second recession, spurred by economic growth at the national level;
- Stable state and federal revenues;
- Re-negotiated labor contracts with lowered baseline and future costs to conform with actual historical inflation;
- Increased investment income tied to Federal Reserve rate increases;
- A net positive final court ruling in favor of the City regarding all outstanding property tax years associated with the TAPS litigation; and
- Further recovery in the investment market supporting reduction in the actuarial required contribution to the Police and Fire Retirement System retirement plan.

Long-term Fiscal Challenge

A long-term fiscal plan revolving around moderate tax increases and allowing expenses to continually increase (based on the current union agreements and estimated inflation rates), if left unchecked, will lead to continued unsustainable deficits into the future. If the Mayor increases property taxes by 1.5% each year in the Six Year Plan and does not adjust the size of government, the Municipality will find itself in a deficit situation as noted below. The deficit begins at \$13 million in 2013 and increases to \$46 million in 2017.



Mayor’s Plan for Fiscal Sustainability

The Mayor continues to plan for long-term fiscal stability and sustainability. The Mayor’s fiscal plan enables a balanced budget by reducing the size of government and increasing property taxes in the range of 1.5% to 3% over the six year forecast period.

To provide sound fiscal planning realizing known future expenses, costs must be adjusted downward to achieve goals of the community in a balanced manner. Based on data received from “Community Dialogues” it is clear that citizens are demanding that government become more efficient. As a result, the Mayor has initiated projects to enable a more efficient government.

Lead by the Mayor, a number of initiatives have begun to evaluate consolidation of staff, streamlined business processes and increased use of new technology in order to reduce the cost to deliver services. Beginning the second half of 2011, a number of significant information system and business process changes are now underway including:

- a new enterprise-wide financial system with SAP as the vendor,

- a new online time tracking system with Kronos as the vendor,
- a new property tax assessment and billing system with one of three finalists to be selected after completion of software demos, and
- operational management studies affecting Information Technology operations and the Operations and Maintenance Department, conducted by two outside expert consultants.

These major investments in new systems and business processes will serve to significantly improve the efficiency and quality of delivered services while at the same time leading to reduced long-term operating costs.

Other efficiency initiatives will continue to be undertaken throughout many functions of government to further reduce the cost and improve the delivery of services to the public.

In following the Mayor's recommended plan for fiscal sustainability and more efficient and accountable government, revenues and expenses can be prudently held in balance over the six year projection period. As needed, adjustments to the plan will be made as specific business actions are implemented by departments.

As illustrated in the preceding graph, significant savings will need to occur in order to achieve a balanced budget.

The financial plan assumptions include:

Expenditure Forecasts

As the Mayor's recommended plan illustrates, cost reductions including a reduced work force and related wages, reduced professional services and discretionary spending are all key elements in addressing the fiscal deficits projected. Reductions in the amount of \$13 million are planned for 2013 and an additional \$11 million in reductions is planned for 2014. The reductions will continue to increase each year to \$35 million in 2017.

Personnel costs continue to be the single largest category of expense and represent an increase in the 2013 cost structure. Labor contracts approved prior to 2009 are incorporated reflecting cost increases of 3% to 6% per year over a six year period. The

labor increase element assumes an average amount of increase will be earned by each collective bargaining agreement. The assumption includes the impact of the Performance Improvement Program (PIP) which is included in several of the labor contracts.

Additionally, this fiscal scenario assumes that the cost to provide health care to employees will continue to increase throughout the forecast period. As of August 2011, the average paid claim per month per employee is 5% higher in 2011 than in 2010. National health care reform is also expected to increase the Municipality's cost to provide health insurance to our employees.

Debt service costs vary year to year based on a combination of debt retirement, debt refunding and newly issued debt approved by voters. The Mayor's objective is to limit the increase in debt in future years such that more principal is paid off than is added. In aggregate, the six year projection cites a net overall pay down of debt during the forecast period. Additionally, debt refunding in 2012 is included in the forecast. The impact of the refunding is expected to reduce annual debt service of approximately \$400,000 per year.

Additional debt is planned to fund the replacement of an eleven year old Enterprise Resource Planning (ERP) system and the more than twenty year old Computer Assisted Management Assessment (CAMA) system. Both of these systems currently reside on a legacy mainframe system which prevents the Municipality from implementing more efficient processes. Once these two systems are fully replaced, the Municipality expects to gain efficiencies that will bring the Municipality's operations in-line with demonstrated best practices.

The downturn in the stock market in 2008 resulted in an actuarial report for the Police and Fire Retirement System showing an unfunded liability of \$101 million. In 2010, the fund recovered somewhat and the present value shortfall was reduced to \$63 million. The shortfall translates to a reduced contribution requirement from the Municipality in the amount of \$6.2 million per year over the next 15 years. At the time of this report recent significant declines in the stock market, partially reminiscent of the 2008 declines, are presenting added risk that the unfunded pension obligation may increase at year-end which would lead to an increase in the annual contribution requirement starting January

1, 2013, thereby further delaying the period of recovery and adding to the long-term fiscal challenges for the City.

Inflation is expected to increase moderately over the forecast period. All non-labor expenditures were adjusted upward by 2.5% to 3% per year to adjust for annual inflation.

Revenue Forecasts

Local revenue sources are projected to increase modestly as a result of recovering from the recession. Economic forecasts provided from independent organizations such as AEDC, McDowell Group, and others were used as the foundation for the forecasts. Starting in 2012, these local revenue sources are expected to follow a pattern of slow steady growth of 1% to 3% per year, which lags the growth rate of both labor and non-labor expenses.

State Revenue Sharing, which is largely dependent on surpluses existing at the State level, has historically been difficult to predict due to volatility in oil prices year to year. The projection model assumes that State Revenue Sharing remains stable and flat throughout the projection period.

Revenues from Permanent Fund Dividend garnishments, which support Anchorage Police Department operations, are expected to experience further decline in 2013 with a slow upward growth expected thereafter, due to the lingering effect of the severe market value decline in 2008 earnings and its affect on the five year average income that determines distributions. Similarly, distributable earnings from the Municipality's mini permanent fund (i.e., MOA Trust) was nearly 20% less beginning in 2010 and projected to decline an additional 10% before flattening and returning to slow growth.

The Mayor's Six Year Plan is forecasted as follows:

2012 Approved General Government Operating Budget

SIX YEAR FISCAL PROGRAM -
PROJECTIONS OF REVENUES & EXPENDITURES (\$ 000's)
2012 to 2017

Six Year Budget Projection	PROJECTIONS						
	2011 1Q Bud	2012	2013	2014	2015	2016	2017
REVENUES							
Federal Revenues	2,143	1,587 -26%	1,595 1%	1,708 7%	1,717 1%	1,726 1%	1,736 1%
State Revenues	16,587	16,600 0.1%	16,603 0%	16,640 0%	16,656 0%	16,673 0%	16,690 0%
Local Revenues	147,335	152,326 3.4%	153,591 1%	156,997 2%	159,758 2%	162,787 2%	165,685 2%
Property Taxes	240,836	244,400 1.5%	248,070 1.5%	253,030 2.0%	259,350 2.5%	267,130 3.0%	275,150 3.0%
Fund Balance Applied	8,976	8,100 -9.8%	3,000 -63%	3,000 0%	3,000 0%	3,000 0%	3,000 0%
IGC's Outside General Gvt.	27,335	28,700 5%	30,000 5%	31,400 5%	32,800 4%	34,300 5%	35,800 4%
TOTAL REVENUES	443,212	451,712	452,858	462,775	473,281	485,617	498,061
Change from prior year		2%	0%	2%	2%	3%	3%
EXPENDITURES							
Personal Services	242,866	247,262 2%	259,047 5%	271,488 5%	282,191 4%	293,402 4%	305,075 4%
Debt Service	51,633	57,810 12%	56,690 -2%	61,250 8%	57,710 -6%	61,320 6%	62,130 1%
Other	148,713	146,640 -1%	150,122 2%	153,737 2%	157,439 2%	161,378 3%	165,567 3%
Reductions/Efficiencies	-	-	(13,000)	(24,000)	(25,000)	(31,000)	(35,000)
TOTAL EXPENDITURES	443,212	451,712	452,859	462,475	472,340	485,100	497,772
Change from prior year		2%	0%	2%	2%	3%	3%
REVENUES OVER/(UNDER)	0	-	(0)	300	941	516	289
EXPENDITURES							
cumulative		0	(0)	300	1,241	1,757	2,046

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Appendix W

Department Goals Aligned with Mayor's Strategic Framework

Mayor's Overarching Framework

Mission

Provide effective and fiscally responsible municipal services to the Anchorage community that fosters a high quality of life.

Core Values

- Safety
- Excellence
- Accountability
- Integrity

Vision

- A safe place to call home
- A flourishing, broad-based and sustainable economy
- An inviting place to live, work and plan
- A premier destination
- Exemplary municipal operations

Goals

- Achieve fiscal sustainability
- Improve Municipal operations
- Strengthen public safety
- Improve the transportation system
- Enhance academic excellence and learning
- Promote economic development

Department Goals that Contribute to Achieving the Vision

Vision: A Safe Place to Call Home

Anchorage Fire Department

- Improve outcome for sick, injured, trapped and endangered victims
- Reduce fire damage, eliminate fire deaths and injuries
- Prevent unintended fires

Anchorage Police Department

- Maintain the rate of Uniform Crime Report (UCR) Part I crimes in Anchorage at or below the national average for comparable size communities
- Reduce the rate of adult sexual assault in Anchorage
- Decrease the number of drivers Operating Under the Influence (OUI)

- Maintain a rating on the UAA Community Indicators Project wherein the majority of respondents state they are “Satisfied” or “Very satisfied” with police services in Anchorage

Health and Human Services Department

- Improve responsiveness to public health complaints

Emergency Management Division

- Improve MOA’s emergency preparedness by completing revisions to the Emergency Operations Plan

Transportation Inspection Division

- Protect the safety and welfare of the regulated vehicle customers

Public Works Department - Maintenance and Operations Division

- Complete declared plow-outs within 72 hours of a snowfall four inches or more within Anchorage Roads and Drainage Service Area (ARDSA)
- Repair reported potholes within 24 hours within ARDSA

Community Development Department

- Eliminate duplicate street names to ensure the uniqueness of each address, thereby improving E911 response times

Vision: A Flourishing, Broad-Based and Sustainable Economy

Finance Department - Property Appraisal Division

- Timely annual assessment of all taxable property
- Ensure accurate data collection for property records

Finance Department - Public Finance and Investments Division

- 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
- Provide an aggregate investment return, net of fees, that outperforms the benchmark for the MOA’s aggregate portfolio

Public Transportation Department

- Provide public transportation services which are safe, convenient, accessible and reliable
- Increase ridership

Public Works Department - Traffic Division

- Continuous improvement in the safe and efficient movement of people and goods
- Traffic operation improvements that maximize transportation safety and system efficiency

Public Works Department – Maintenance & Operations Division

- Annually inspect and clean “as required” all storm drain structures per Alaska Pollution Discharge Elimination System (APDES) Phase II permit within ARDSA

Vision: An inviting Place to Live, Work and Play

Library Department

- Increase opportunities for our children's success when they enter school by teaching the foundations of reading, social skills and, creative skills through early learning educational activities
- Improve civic engagement, cultural enrichment, and enhance the quality of life for all Anchorage residents through provision of life-long educational services including library materials, online resources and programs/events
- Improve economic advancement by providing equitable access to computing equipment and resources and improve public safety by providing safe and stimulating places for teens and clean, well-maintained buildings for all

Community Development Department

- Ensure development-related infrastructure is designed and constructed according to municipal design criteria, standards, codes, and practices;
- Provide on-site water and wastewater permitting, certification, training and enforcement consistent with goals of protecting public health and environmental quality
- Respond to land use code complaints within established timeframes
- Complete final zoning inspections same day as requested
- Provide timely and accurate services for:
 - Land use reviews/determinations
 - Administrative land use permits
 - Business facility reviews and inspections
 - Assignment of new addresses
 - Maintenance of GIS map data layers for roads and addresses

Equal Rights Commission

- Eliminate discriminatory practices by providing outreach and education in our community to improve compliance with the law

A Premier Destination

Parks and Recreation Department

- Provide opportunities for residents and visitors to enjoy Anchorage's parks and facilities
- Provide recreation opportunities that are safe, secure and enjoyable

Exemplary Municipal Operations

Employee Relations Department

- Attract and retain a productive, qualified workforce while adhering to all federal, state and local laws, regulations and agreements
- Centralize administrative functions to improve performance and conserve resources

Finance Department - Controller Division

- 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

Information Technology Department

- Reduce the total of IT operational cost as a percentage of overall MOA operational cost
- Deliver new municipal services to MOA departments and citizens via technology
- Improve IT service delivery and the development of processes, standards and policies by applying industry best practice frameworks

Management and Budget Department

- Implement the Mayor's "Performance. Value. Results" performance-based management initiative

Municipal Attorney

- Maintain high quality, efficient production of legal services through low turnover rate of professional staff, and successful completion by attorneys of subject matter training/continuing legal education

Public Works Department - Engineering Division

- Design capital improvement projects that are cost-effective, maintenance-friendly

Municipal Manager Department - Risk Management Division

- Lower the cost of Municipal operations by reducing both the number of accidents and the severity of accidents in workers' compensation, auto liability and general liability exposures