

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 2013 Approved budget. It includes \$59,175 of revenues associated with the fund that are not considered program revenues, such as P&I on Delinquent Taxes and Cash Pools Short-term Interest.

The actual 2013 taxes to be collected will be based on the 2013 Revised budget that will be presented to the Assembly for approval in April.

The 2013 mill rate will be calculated based on the taxes to be collected (2013 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 2013 mill rate, based on the 2013 Approved budget and the service area assessed value at 09/06/2012, would be calculated as follows:

$$\frac{\$ 6,571,611}{\$ 3,299,304,831} \times 1,000 = 1.99$$

The actual 2013 mill rate will be based on the 2013 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)

	2011 Actuals	2012 Revised	2013 Approved	12 v 13 % Chg
Direct Cost				
Operations of CBERRRSA (7449) - Department: Public Works	2,953,204	3,430,807	3,445,193	0.42%
ER Contribution to CIP (7473) - Department: Public Works	3,316,948	3,316,948	3,316,948	-
Direct Cost Total	6,270,152	6,747,755	6,762,141	0.21%
Intragovernmental Charges				
Charges by Other Departments	119,952	113,418	125,084	10.29%
Charges to Other Departments	(22,500)	(22,500)	(22,500)	-
Function Cost Total	6,367,604	6,838,673	6,864,725	0.38%
Program Generated Revenue	(15,065)	(274,676)	(293,114)	6.71%
Net Cost Total	6,352,539	6,563,997	6,571,611	0.12%

Direct Cost by Category				
Personnel	580,876	506,291	525,032	3.70%
Supplies	74,494	169,940	169,940	-
Travel	-	-	-	-
Contractual/Other Services	5,603,432	6,065,524	6,061,169	-0.07%
Debt Service/Depreciation	-	-	-	-
Equipment, Furnishings	11,350	6,000	6,000	-
Direct Cost Total	6,270,152	6,747,755	6,762,141	0.21%

Position Summary as Budgeted

Full-Time	3	4	4	-
Part-Time	1	-	-	-
Position Total	4	4	4	-

Operations of Chugiak, Birchwood, Eagle River RRSA

Department: Public Works

Division: Other Service Areas

(Dept ID # 7449)

	2011 Actuals	2012 Revised	2013 Approved	12 v 13 % Chg
Direct Cost				
Salaries and Benefits				
1101 - Straight Time Labor	275,002	267,616	277,714	3.77%
1201 - Overtime	48,240	43,000	43,000	-
1301 - Leave/Holiday Accruals	73,095	6,070	6,304	3.86%
1401 - Benefits	183,973	164,745	173,154	5.10%
1501 - Allow Differentials/Premiums	565	24,860	24,860	-
Salaries and Benefits Total	580,876	506,291	525,032	12.73%
Supplies	74,494	169,940	169,940	-
Travel	-	-	-	-
Contractual/Other Services	2,286,484	2,748,576	2,744,221	-0.16%
Equipment, Furnishings	11,350	6,000	6,000	-
Manageable Direct Cost Total	2,953,204	3,430,807	3,445,193	0.42%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	2,953,204	3,430,807	3,445,193	0.42%
Intragovernmental Charges				
Charges by Other Departments	119,952	113,418	125,084	10.29%
Charges to Other Departments	(22,500)	(22,500)	(22,500)	-
Program Generated Revenue				
9499 - Reimbursed Cost	(12,821)	(15,460)	(15,460)	-
9742 - Other Property Sales	(2,244)	-	-	-
9798 - Miscellaneous Revenues	-	(1,600)	(1,600)	-
Program Generated Revenue Total	(15,065)	(17,060)	(17,060)	-
Net Cost				
Manageable Direct Cost	2,953,204	3,430,807	3,445,193	0.42%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	119,952	113,418	125,084	10.29%
Charges to Other Departments	(22,500)	(22,500)	(22,500)	-
Program Generated Revenue Total	(15,065)	(17,060)	(17,060)	-
Net Cost Total	3,035,591	3,504,665	3,530,717	0.74%

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

	2011 Actuals	2012 Revised	2013 Approved	12 v 13 % 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	-	-	-	-
 Net Cost				
Manageable Direct Cost	3,316,948	3,316,948	3,316,948	-
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	-	-	-	-
Net Cost Total	3,316,948	3,316,948	3,316,948	-