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Appendix A

2013 Proposed 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	1,850,980	11,600	28,800	983,551	-	-	-	2,874,931
Chief Fiscal Officer	453,679	3,000	5,000	180,704	-	-	-	642,383
Community Development	12,608,505	155,485	-	744,614	60,081	-	32,800	13,601,485
Employee Relations	3,268,961	13,100	10,230	180,725	-	-	10,400	3,483,416
Equal Rights Commission	714,432	2,450	2,100	39,910	-	-	-	758,892
Finance	10,511,635	63,890	-	1,344,863	266,252	-	22,100	12,208,740
Fire	60,607,904	2,143,800	37,500	8,310,792	4,207,594	-	292,305	75,599,895
Fire - Police/Fire Retirement	-	-	-	10,528,388	-	-	-	10,528,388
Health and Human Services	4,321,562	210,328	9,850	5,029,657	241,922	-	23,424	9,836,743
Information Technology	9,607,649	92,238	9,825	4,685,528	326,978	2,713,394	3,000	17,438,612
Internal Audit	692,388	1,310	1,500	6,234	-	-	-	701,432
Library	5,751,321	68,566	-	1,208,090	-	-	39,695	7,067,672
Management and Budget	630,244	2,805	-	135,169	-	-	-	768,218
Mayor	1,380,847	6,500	20,000	390,506	-	-	-	1,797,853
Community Grants	-	-	-	537,000	-	-	-	537,000
Municipal Attorney	5,676,835	27,470	10,000	1,653,134	-	-	-	7,367,439
Municipal Manager	2,103,919	28,011	13,128	18,578,114	1,864,797	-	9,000	22,596,969
Parks and Recreation	8,874,404	726,018	5,000	6,101,360	3,415,185	-	64,820	19,186,787
Police	70,652,807	2,148,930	15,500	9,278,814	331,607	-	104,500	82,532,158
Police - Police/Fire Retirement	-	-	-	11,505,776	-	-	-	11,505,776
Public Transportation	13,143,813	3,112,878	3,500	3,166,863	544,813	-	-	19,971,867
Public Works	30,773,554	3,772,703	12,010	30,139,814	40,377,608	-	72,620	105,148,309
Purchasing	1,572,298	10,060	3,700	44,720	-	-	-	1,630,778
Real Estate	835,945	5,300	1,000	7,294,735	-	-	7,700	8,144,680
Cnvnction Ctr Reserve/Areawide TANS Exp	-	-	-	12,574,459	116,779	-	-	12,691,238
General Government Total	246,033,681	12,606,442	188,643	134,643,520	51,753,616	2,713,394	682,364	448,621,661

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Appendix B - 1

2013 Proposed Function Cost^{*} by Fund

Fund	Title	2012 Revised Budget	2013 Proposed Budget
101	Areawide General Fund	122,198,630	118,815,343
104	Chugiak Fire Service Area	1,148,312	1,154,907
105	Glen Alps Service Area	302,244	344,342
106	Girdwood Valley Service Area	2,037,125	2,043,027
111	Birchtree/Elmore LRSA	253,243	253,243
112	Section 6/Campbell Airstrip LRSA	136,718	136,718
113	Valli Vue Estates LRSA	118,040	118,040
114	Skyranch Estates LRSA	33,129	33,129
115	Upper Grover LRSA	14,925	14,925
116	Raven Woods/Bubbling Brook LRSA	16,630	16,630
117	Mt. Park Estates LRSA	32,784	32,784
118	Mt. Park/Robin Hill LRSA	144,577	144,577
119	Chugiak, Birchwood, ER Rural Road SA	6,838,673	6,864,725
121	Eaglewood Contributing RSA	107,069	107,069
122	Gateway Contributing RSA	2,115	2,115
123	Lakehill LRSA	47,596	47,596
124	Totem LRSA	22,782	22,782
125	Paradise Valley South LRSA	13,070	13,070
126	SRW Homeowners LRSA	50,526	50,526
129	Eagle River Streetlight SA	566,114	571,509
131	Anchorage Fire SA	65,160,234	67,497,725
141	Anchorage Roads and Drainage SA	71,512,524	66,738,911
142	Talus West LRSA	112,758	112,758
143	Upper O'Malley LRSA	646,170	646,170
144	Bear Valley LRSA	52,535	52,535
145	Rabbit Creek View/Hts LRSA	94,322	94,322
146	Villages Scenic Parkway LRSA	19,452	19,452
147	Sequoia Estates LRSA	21,166	21,166
148	Rockhill LRSA	45,021	45,021
149	South Goldenview Area LRSA	572,980	572,980
151	Anchorage Metropolitan Police SA	102,857,627	109,693,015
161	Anchorage Parks & Recreation SA	20,298,946	17,947,024
162	Eagle River-Chugiak Parks & Rec	4,011,168	4,529,331
181	Anchorage Building Safety SA	7,482,411	6,621,229
191	Public Finance and Investments	1,657,257	1,660,495
202	Convention Center Operating Reserve	12,280,314	12,574,459
221	Heritage Land Bank	1,256,688	2,474,217
301	PAC Surcharge Revenue Bond Fund	339,613	339,813
602	Self Insurance ISF	895,603	(4,981,042)
607	Information Technology ISF	1,900,688	991,442
Total		425,301,778	418,438,080

^{*} 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

2013 Proposed 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	95,246,802	5,346,519	124,818	45,811,163	3,479,361	-	241,339	150,250,002	63,241,239	(94,675,898)	118,815,343
104	Chugiak Fire Service Area	-	-	-	1,049,578	-	-	-	1,049,578	121,829	(16,500)	1,154,907
105	Glen Alps Service Area	-	-	-	274,712	-	-	-	274,712	69,630	-	344,342
106	Girdwood Valley Service Area	-	119,500	-	1,516,561	22,626	-	-	1,790,237	280,350	(27,560)	2,043,027
111	Birchtree/Elmore LRSA	131,550	-	-	226,243	-	-	-	226,243	27,000	-	253,243
112	Section 6/Campbell Airstrip LRSA	-	-	-	147,668	-	-	-	147,668	15,500	(26,450)	136,718
113	Valli Vue Estates LRSA	-	-	-	106,040	-	-	-	106,040	12,000	-	118,040
114	Skyranch Estates LRSA	-	-	-	29,629	-	-	-	29,629	3,500	-	33,129
115	Upper Grover LRSA	-	-	-	13,425	-	-	-	13,425	1,500	-	14,925
116	Raven Woods/Bubbling Brook LRSA	-	-	-	14,830	-	-	-	14,830	1,800	-	16,630
117	Mt. Park Estates LRSA	-	-	-	29,284	-	-	-	29,284	3,500	-	32,784
118	Mt. Park/Robin Hill RRSA	-	-	-	130,577	-	-	-	130,577	14,000	-	144,577
119	Chugiak, Birchwood, ER Rural Road SA	525,031	169,940	-	6,061,169	-	-	6,000	6,762,140	125,085	(22,500)	6,864,725
121	Eaglewood Contributing RSA	-	-	-	105,169	-	-	-	105,169	1,900	-	107,069
122	Gateway Contributing RSA	-	-	-	2,065	-	-	-	2,065	50	-	2,115
123	Lakehill LRSA	-	-	-	42,296	-	-	-	42,296	5,300	-	47,596
124	Totem LRSA	-	-	-	19,282	-	-	-	19,282	3,500	-	22,782
125	Paradise Valley South LRSA	-	-	-	11,870	-	-	-	11,870	1,200	-	13,070
126	SRW Homeowners LRSA	-	-	-	45,526	-	-	-	45,526	5,000	-	50,526
129	Eagle River Streetlight SA	-	4,899	-	505,691	-	-	-	510,590	60,919	-	571,509
131	Anchorage Fire SA	43,792,236	1,596,800	32,500	11,158,061	3,400,357	-	230,305	60,210,258	21,214,753	(13,927,287)	67,497,725
141	Anchorage Roads and Drainage SA	11,560,941	2,430,496	-	12,424,761	40,377,608	-	18,000	66,811,806	2,241,695	(2,314,590)	66,738,911
142	Talus West LRSA	-	-	-	102,258	-	-	-	102,258	10,500	-	112,758
143	Upper O'Malley LRSA	-	-	-	581,170	-	-	-	581,170	65,000	-	646,170
144	Bear Valley LRSA	-	-	-	47,535	-	-	-	47,535	5,000	-	52,535
145	Rabbit Creek View/Hts LRSA	-	-	-	85,822	-	-	-	85,822	8,500	-	94,322
146	Villages Scenic Parkway LRSA	-	-	-	17,652	-	-	-	17,652	1,800	-	19,452
147	Sequoia Estates LRSA	-	-	-	19,266	-	-	-	19,266	1,900	-	21,166
148	Rockhill LRSA	-	-	-	40,021	-	-	-	40,021	5,000	-	45,021
149	South Goldenview Area LRSA	-	-	-	520,980	-	-	-	520,980	52,000	-	572,980
151	Anchorage Metropolitan Police SA	70,652,807	2,148,930	15,500	19,418,118	331,607	-	104,500	92,671,461	20,953,334	(3,931,781)	109,693,015
161	Anchorage Parks & Recreation SA	7,516,900	592,568	5,000	3,574,942	3,066,643	-	54,980	14,811,032	3,522,088	(386,097)	17,947,024
162	Eagle River-Chugiak Parks & Rec	1,357,505	92,150	-	2,302,734	348,542	-	9,840	4,110,771	448,560	(30,000)	4,529,331
181	Anchorage Building Safety SA	4,913,124	47,350	-	341,767	60,081	-	5,200	5,367,522	2,250,204	(996,497)	6,621,229
191	Public Finance and Investments	619,810	2,100	-	942,482	-	-	2,000	1,566,392	94,103	-	1,660,495
202	Convention Center Operating Reserve	-	-	-	12,574,459	-	-	-	12,574,459	-	-	12,574,459
221	Heritage Land Bank	461,820	4,500	1,000	317,100	-	-	7,200	791,620	1,682,597	-	2,474,217
301	PAC Surcharge Revenue Bond Fund	-	-	-	-	339,813	-	-	339,813	-	-	339,813
602	Self Insurance ISF	362,440	4,500	-	9,992,278	-	-	-	10,359,218	1,229,923	(16,570,183)	(4,961,042)
607	Information Technology ISF	8,892,716	46,190	9,825	4,039,336	326,978	2,713,394	3,000	16,031,439	4,773,756	(19,813,753)	991,442
Total		246,033,681	12,606,442	188,643	134,643,520	51,753,616	2,713,394	682,364	448,621,661	122,555,515	(152,739,095)	418,438,080

Appendix C

2013 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	\$22,564	\$1,880	22.00%	2.40%	7.67%
Operating Engineers	\$15,645	\$1,304	18.00% ⁵	1.10%	7.67%
² Non-represented and Execs	\$22,564	\$1,880	22.00%	2%/1%	7.67%
IAFF (Fire) F40	\$27,697	\$2,308	22.00%	5.00%	7.67%
IAFF (Fire) F56	\$27,697	\$2,308	22.00%	7.70%	7.67%
IAFF (Fire) Dispatch	\$27,697	\$2,308	22.00%	2.00%	7.67%
² IBEW/Electrical	\$14,585	\$1,215	20.00% ⁵	3.70%	7.67%
² IBEW/Mechanics	\$21,529	\$1,794	22.00% ⁵	1.00%	7.67%
² Local 71 (Laborers)	\$17,605	\$1,467	22.00%	2.00%	7.67%
APDEA (Police) Sworn	\$27,763	\$2,314	24.00% ³	1.00%	7.67%
APDEA (Police) Non-Sworn	\$27,319	\$2,277	24.00% ³	1.00%	7.67%
Plumbers	\$22,553	\$1,879	22.00%	4.00%	7.67%
Teamsters	\$20,918	\$1,743	22.00%	1.00%	7.67%
Assembly Members	\$6,540	\$545	22.00%	0.00%	7.67%

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, 457, and 457 savings plan.

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Appendix D

Overtime by Department

Department	2012		2013
	Revised Budget	Expended as of 8/31/12	Proposed Budget
Assembly	4,500	11,401	4,500
Chief Fiscal Officer	-	420	-
Community Development	300,060	198,891	323,460
Employee Relations	13,860	34,449	13,860
Equal Rights Commission	-	10	-
Finance	85,000	186,472	85,000
Fire	3,035,230	2,287,409	728,870
Health and Human Services	10,950	11,006	10,570
Heritage Land Bank	-	93	-
Information Technology	46,720	55,642	29,470
Internal Audit	-	10	-
Library	34,150	4,595	20,428
Management and Budget	6,990	377	6,990
Municipal Attorney	-	2,715	-
Municipal Manager	-	182	-
Parks and Recreation	54,230	43,323	45,230
Police	3,742,000	2,222,916	3,742,000
Public Transportation	362,810	533,373	362,810
Public Works	994,957	1,523,092	944,957
Purchasing	-	3,568	-
General Government Total	8,691,457	7,119,946	6,318,145

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Appendix E

Guideline for Budgeting for Vacancies

“Vacancy factor” is how the Municipality budgets 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, the Municipality 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.

The vacancy factor percentage should reflect a department's past level of turnover as well as other issues that are likely to influence the turnover rate for the 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 (upgraded from AA on 08/24/12)
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.

2013 Proposed 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	559,449	379,723	939,172	700	939,872
101	Senior Center	22,790	15,551	38,341	50	38,391
101	Cemetery	125,026	78,205	203,231	300	203,531
101	Emergency Medical Service	430,732	353,229	783,961	650	784,611
101	Public Facility Repair -Areawide	279,785	305,227	585,012	100	585,112
101	Transit	317,005	227,408	544,413	400	544,813
131	Anchorage Fire	1,964,451	1,410,481	3,374,932	3,100	3,378,032
141	Anchorage Roads and Drainage	23,559,962	16,781,511	40,341,473	32,700	40,374,173
151	Anchorage Police	197,482	108,055	305,537	310	305,847
161	Anchorage Parks/Rec	2,104,962	956,146	3,061,108	2,100	3,063,208
GO Bonds Inside Tax Cap Total		29,561,644	20,615,536	50,177,180	40,410	50,217,590
Voter-Approved GO Bonds Outside Tax Limit Calculation						
106	Girdwood Fire	19,936	2,670	22,606	20	22,626
162	Eagle River Parks/Rec	238,420	109,832	348,252	290	348,542
GO Bonds Outside Tax Cap Total		258,356	112,502	370,858	310	371,168
GO Bonds Total		29,820,000	20,728,038	50,548,038	40,720	50,588,758
Revenue Bond - Alaska Center for the Performing Arts (ACPA)						
301	PAC Revenue Bond	125,000	214,813	339,813	-	339,813
ACPA Revenue Bond Total		125,000	214,813	339,813	-	339,813
Lease/Purchase Agreements						
101	Treasury AR	37,627	917	38,544	-	38,544
181	Hansen Project	57,347	2,734	60,081	-	60,081
607	IT Capital Infrastructure	-	80,000	80,000	-	80,000
Lease/Purchase Agreements Total		94,974	83,651	178,625	-	178,625
Tax Anticipation Notes (TANS)						
101	Public Finance and Investment	-	7,193	7,193	15,132	22,325
131	Public Finance and Investment	-	8,300	8,300	17,460	25,760
141	Public Finance and Investment	-	1,107	1,107	2,328	3,435
151	Public Finance and Investment	-	1,107	1,107	2,328	3,435
161	Public Finance and Investment	-	37,627	37,627	79,152	116,779
TANS Total		-	55,334	55,334	116,400	171,734
Other						
101	CAMA	227,708	-	227,708	-	227,708
607	ERP	246,978	-	246,978	-	246,978
Other Total		474,686	-	474,686	-	474,686
Grand Total Funded Debt Service		30,514,660	21,081,836	51,596,496	157,120	51,753,616

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	Number	Project Description	2007			2008			2009			2010			2011		
			Voter Approved Bonds	Bonds Issued	Remaining Authorized But Unissued	Voter Approved Bonds	Bonds Issued	Remaining Authorized But Unissued	Voter Approved Bonds	Bonds Issued	Remaining Authorized But Unissued	Voter Approved Bonds	Bonds Issued	Remaining Authorized But Unissued	Voter Approved Bonds	Bonds Issued	Remaining Authorized But Unissued
2007	2	Anchorage Parks & Recreation	4,995	2,500	2,495	-	-	2,495	-	-	-	-	-	-	-	-	895
2007	3	Public Safety/Transportation -Areawide	5,700	5,700	-	-	-	-	-	-	-	-	-	-	-	-	-
2007	6	Anchorage Roads & Drainage Service Area	35,550	12,615	22,935	-	15,830	7,105	-	-	-	-	5,840	1,265	-	1,265	-
2007	7	Anchorage Fire Service Area	3,075	3,075	-	-	-	-	-	-	-	-	-	-	-	-	-
2008	1	Public Facility Repair -Areawide	-	-	-	6,900	1,500	5,400	-	-	-	-	5,400	-	-	-	-
2008	4	Anchorage Parks & Recreation-Pools	-	-	-	2,000	500	1,500	-	-	-	-	1,500	-	-	-	-
2008	5	Anchorage Roads & Drainage Service Area	-	-	-	44,800	28,690	16,110	-	-	-	-	7,188	8,922	-	4,340	4,582
2008	6	Public Safety/Transportation -Areawide	-	-	-	1,688	1,438	250	-	-	-	-	100	150	-	-	150
2008	7	Anchorage Fire Service Area	-	-	-	3,622	2,350	1,272	-	-	-	-	1,272	-	-	-	-
2009	3	Anchorage Roads & Drainage Service Area	-	-	-	-	-	-	34,225	-	-	-	26,000	8,225	-	4,100	4,125
2009	6	Public Safety/Transportation -Areawide	-	-	-	-	-	-	1,300	-	-	-	97	1,203	-	900	303
2009	7	Anchorage Fire Service Area	-	-	-	-	-	-	1,800	-	-	-	1,655	145	-	145	-
2010	1	Anchorage Roads & Drainage Service Area	-	-	-	-	-	-	-	-	-	37,090	-	37,090	-	14,230	22,860
2010	2	Public Safety/Ambulance-Areawide	-	-	-	-	-	-	-	-	-	250	-	250	-	250	-
2010	3	Anchorage Fire Service Area	-	-	-	-	-	-	-	-	-	1,150	-	1,150	-	-	1,150
2011	4	Anchorage Roads & Drainage Service Area	-	-	-	-	-	-	-	-	-	-	-	-	30,850	3,000	27,850
2011	6	Transportation -Areawide	-	-	-	-	-	-	-	-	-	-	-	-	421	-	421
2011	6	Public Safety-Areawide	-	-	-	-	-	-	-	-	-	-	-	-	520	520	-
2011	7	Anchorage Fire Service Area	-	-	-	-	-	-	-	-	-	-	-	-	1,150	-	1,150
2011	8	Police	-	-	-	-	-	-	-	-	-	-	-	-	250	250	-
Total General Purpose - General Obligation			49,320	23,890	25,430	59,010	50,308	34,132	37,325	-	71,457	38,490	50,652	59,295	33,191	29,000	63,486

Appendix G

General Government Tax Rate Trends 2004 - 2013

Tax District	2004	2005	2006	2007 ²	2008 ²	2009 ²	2010	2011	2012	2013 ³
School District	7.26	7.59	7.13	6.79	6.94	7.18	7.44	7.52	7.57	TBD in Spring
1	8.94	8.70	8.17	7.77	7.95	8.32	7.74	7.96	8.00	
¹ 2, 19-21, 28, 31-35, 38-41, 44, 45, 48, 52-54	6.02	5.94	5.35	5.16	5.35	5.55	5.61	5.50	5.22	
3	8.92	8.69	8.15	7.75	7.95	8.32	7.74	7.96	8.00	
4	4.57	4.11	4.43	4.23	3.40	4.32	4.32	3.77	3.85	
5	6.22	6.10	5.47	5.58	5.68	5.85	5.87	5.54	5.22	
8	8.92	8.69	8.15	7.75	7.95	8.32	7.74	7.96	8.00	
¹ 9, 23, 43	5.34	5.32	4.79	4.56	4.70	4.85	4.95	4.88	4.60	
¹ 10, 50	8.62	8.59	7.87	7.52	7.62	7.80	7.96	7.78	7.60	
12	8.77	8.59	7.79	7.91	8.10	8.30	8.36	8.25	7.97	
15	1.10	.64	.46	.23	.37	.49	.45	.09	-0.29	
¹ 16, 55, 56	3.47	3.35	3.03	2.83	2.93	3.10	3.12	2.79	2.47	
¹ 22, 51	7.64	7.62	7.02	6.79	6.84	7.02	7.09	6.66	6.47	
¹ 30	6.75	6.62	6.11	5.79	5.85	6.05	6.13	5.69	5.47	
36		5.94	5.35	5.16	5.35	5.55	5.61	5.50	5.22	
37	6.02	5.94	5.35	5.16	5.35	5.55	6.91	6.80	6.52	
42	6.37	6.10	5.83	5.42	5.53	5.87	5.25	5.25	5.25	
46	6.74	6.91	6.33	6.04	6.15	6.28	6.28	6.18	6.00	
47	4.82	4.84	4.47	4.22	4.29	4.44	4.35	3.99	3.77	

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 2013 tax rates in this appendix are based on preliminary assessed valuation. Assessed valuations and tax rates will be updated prior to April 2013 when the actual 2013 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 2013 tax rates in this appendix are based on preliminary assessed valuation and exclude 2013 taxes related to ASD. Assessed valuations and tax rates will be updated prior to April 2013 when the actual 2013 tax rates will be set by the Assembly.

Taxing District	Areawide¹	Fire	Roads	Police	Parks	Total
1	(21)	214	248	303	54	798
* 2, 19-21, 28, 31-35, 38-41, 44, 45, 48, 52-54	(21)	214	-	303	54	550
3	(21)	214	248	303	54	798
4	(21)	163	180	-	63	385
5	(21)	-	309	303	-	591
8	(21)	214	248	303	54	798
* 9, 23, 43	(21)	214	-	303	-	496
* 10, 50	(21)	214	199	303	113	808
12	(21)	214	309	303	54	859
15	(21)	-	-	-	-	(21)
* 16, 55, 56	(21)	-	-	303	-	282
* 22, 51	(21)	99	199	303	113	693
30	(21)	-	199	303	113	594
* 36	(21)	214	-	303	54	550
37	(21)	214	128	303	54	678
42	(21)	-	248	303	-	530
46	(21)	214	39	303	113	648
47	(21)	-	29	303	113	424

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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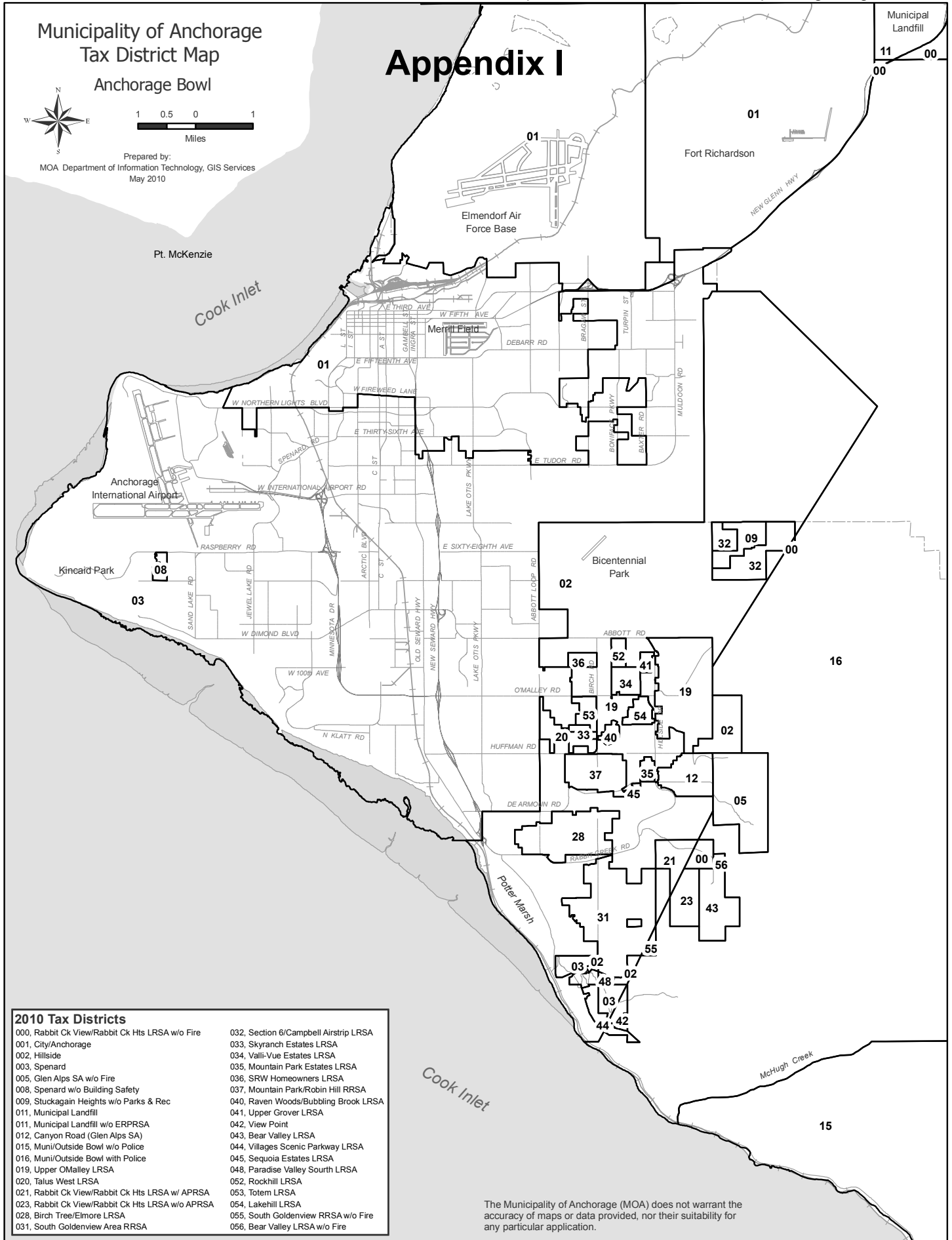
Municipality of Anchorage Tax District Map

Anchorage Bowl



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

Appendix I



2010 Tax Districts

- | | |
|--|---------------------------------------|
| 000, Rabbit Ck View/Rabbit Ck Hts LRSA w/o Fire | 032, Section 6/Campbell Airstrip LRSA |
| 001, City/Anchorage | 033, Skyranche 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 ERPSRA | 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

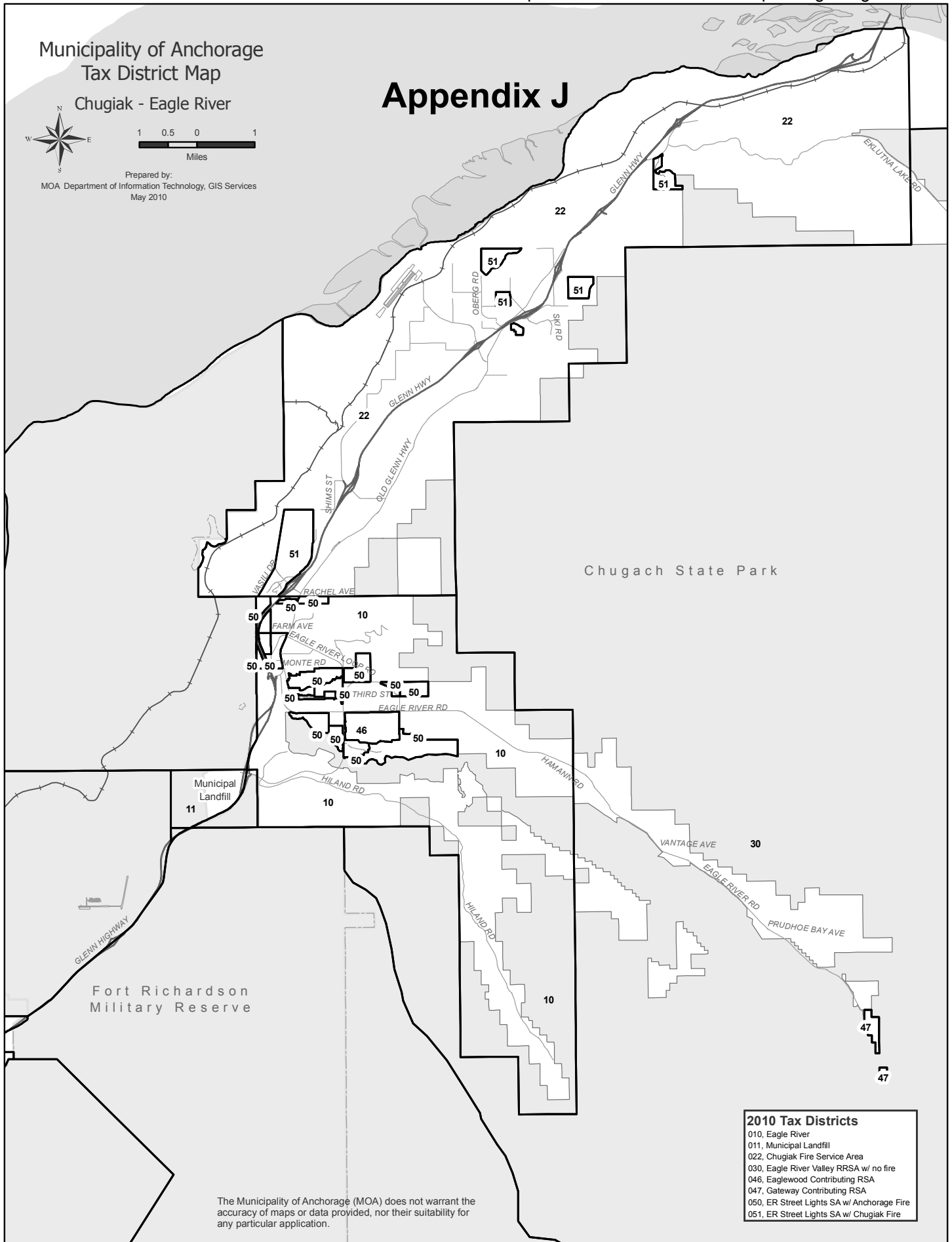
Chugiak - Eagle River



1 0.5 0 1
Miles

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

Appendix J



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 2013 Proposed budget. It includes \$50,970 of revenues associated with the fund that are not considered program revenues, such as P&I on Delinquent Taxes, Auto Tax, Electric Co-Op Allocation 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 (approved 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 Proposed budget and the service area assessed value at 09/06/2012, would be calculated as follows:

$$\frac{\$ 1,103,937}{\$1,114,523,819} \times 1,000 = .99$$

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

	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Chugiak Fire and Rescue (3540) - Department: Fire	960,170	1,049,578	1,049,578	-
Direct Cost Total	960,170	1,049,578	1,049,578	-
Intragovernmental Charges				
Charges by Other Departments	108,002	115,234	121,829	5.72%
Charges to Other Departments	(16,500)	(16,500)	(16,500)	-
Function Cost Total	1,051,672	1,148,312	1,154,907	0.57%
Program Generated Revenue	(224,889)	(55,221)	(50,970)	-7.70%
Net Cost Total	826,783	1,093,091	1,103,937	0.99%

Direct Cost by Category

Personnel	-	-	-	-
Supplies	1,130	-	-	-
Travel	-	-	-	-
Contractual/Other Services	959,039	1,049,578	1,049,578	-
Debt Service/Depreciation	-	-	-	-
Equipment, Furnishings	-	-	-	-
Direct Cost Total	960,170	1,049,578	1,049,578	-

Position Summary as Budgeted

Full-Time	-	-	-	-
Part-Time	-	-	-	-
Position Total	-	-	-	-

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

	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Supplies	1,130	-	-	-
Travel	-	-	-	-
Contractual/Other Services	959,039	1,049,578	1,049,578	-
Manageable Direct Cost Total	960,170	1,049,578	1,049,578	-
 Debt Service, Depreciation	 -	 -	 -	 -
 Direct Cost Total	 960,170	 1,049,578	 1,049,578	 -
 Intragovernmental Charges				
Charges by Other Departments	108,002	115,234	121,829	5.72%
Charges to Other Departments	(16,500)	(16,500)	(16,500)	-
 Program Generated Revenue				
9672 - Prior Yr Expense Recovery	(224,889)	-	-	-
9724 - Proceeds-Refunding Bonds	-	-	-	-
Program Generated Revenue Total	(224,889)	-	-	-
 Net Cost				
Manageable Direct Cost	960,170	1,049,578	1,049,578	-
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	108,002	115,234	121,829	5.72%
Charges to Other Departments	(16,500)	(16,500)	(16,500)	-
Program Generated Revenue Total	(224,889)	-	-	-
Net Cost Total	826,783	1,148,312	1,154,907	0.57%

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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 2013 Proposed budget. It includes \$45,830 of revenues associated with the fund that are not considered program revenues, such as P&I on Delinquent Taxes, Auto Tax, Electric Co-Op Allocation 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 (approved 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 Proposed budget and the service area assessed value at 09/06/2012, would be calculated as follows:

$$\frac{\$ 1,989,199}{\$ 489,942,545} \times 1,000 = 4.06$$

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

	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Fire and Rescue (3550) - Department: Fire	530,348	741,186	662,466	-10.62%
Parks and Recreation (5480) - Department: Parks and Rec	126,571	264,984	264,984	-
Street Maintenance (7460) - Department: Public Works	698,962	842,195	862,787	2.45%
Direct Cost Total	1,355,880	1,848,365	1,790,237	-3.14%
Intragovernmental Charges				
Charges by Other Departments	296,049	216,321	280,352	29.60%
Charges to Other Departments	(27,560)	(27,560)	(27,560)	-
Function Cost Total	1,624,369	2,037,126	2,043,029	0.29%
Program Generated Revenue	(9,664)	(51,093)	(53,830)	5.36%
Net Cost Total	1,614,705	1,986,033	1,989,199	0.16%

Direct Cost by Category				
Personnel	19,189	93,395	131,550	40.85%
Supplies	15,748	119,500	119,500	-
Travel	-	-	-	-
Contractual/Other Services	1,294,742	1,608,964	1,516,561	-5.74%
Debt Service/Depreciation	26,201	26,506	22,626	-14.64%
Equipment, Furnishings	-	-	-	-
Direct Cost Total	1,355,880	1,848,365	1,790,237	-3.14%

Position Summary as Budgeted

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

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

	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Supplies	-	-	-	-
Travel	-	-	-	-
Contractual/Other Services	504,146	714,680	639,840	-10.47%
Equipment, Furnishings	-	-	-	-
Manageable Direct Cost Total	504,146	714,680	639,840	-10.47%
 Debt Service, Depreciation	 26,201	 26,506	 22,626	 -14.64%
Direct Cost Total	530,348	741,186	662,466	-10.62%
Intragovernmental Charges				
Charges by Other Departments	125,522	101,328	141,632	39.78%
Charges to Other Departments	(27,560)	(27,560)	(27,560)	-
Program Generated Revenue				
9609 - Restricted Contributions	(300)	-	-	-
Program Generated Revenue Total	(300)	-	-	-
Net Cost				
Manageable Direct Cost	504,146	714,680	639,840	-10.47%
Debt Service, Depreciation	26,201	26,506	22,626	-14.64%
Charges by Other Departments	125,522	101,328	141,632	39.78%
Charges to Other Departments	(27,560)	(27,560)	(27,560)	-
Program Generated Revenue Total	(300)	-	-	-
Net Cost Total	628,009	814,954	776,538	-4.71%

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

	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Salaries and Benefits				
1101 - Straight Time Labor	14,496	-	-	-
1301 - Leave/Holiday Accruals	2,849	-	-	-
1401 - Benefits	1,845	-	-	-
Salaries and Benefits Total	19,189	-	-	0.00%
Supplies	15,025	41,300	41,300	-
Travel	-	-	-	-
Contractual/Other Services	92,357	223,684	223,684	-
Manageable Direct Cost Total	126,571	264,984	264,984	-
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	126,571	264,984	264,984	-
Intragovernmental Charges				
Charges by Other Departments	113,613	55,017	76,415	38.89%
Program Generated Revenue				
9441 - Rec Centers And Programs	(4,356)	(6,000)	(6,000)	-
9444 - Camping Fees	(1,196)	-	-	-
Program Generated Revenue Total	(5,552)	(6,000)	(6,000)	-
Net Cost				
Manageable Direct Cost	126,571	264,984	264,984	-
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	113,613	55,017	76,415	38.89%
Program Generated Revenue Total	(5,552)	(6,000)	(6,000)	-
Net Cost Total	234,633	314,001	335,399	6.81%

Girdwood Valley Street Maintenance**Department: Public Works****Division: Other Service Areas**

(Dept ID # 7460)

	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Supplies	724	78,200	78,200	-
Travel	-	-	-	-
Contractual/Other Services	698,238	670,600	653,037	-2.62%
Manageable Direct Cost Total	698,962	842,195	862,787	2.45%
 Debt Service, Depreciation	-	-	-	-
 Direct Cost Total	698,962	842,195	862,787	2.45%
 Intragovernmental Charges				
Charges by Other Departments	56,914	59,976	62,305	3.88%
 Program Generated Revenue				
9731 - Lease & Rental Revenue	(3,813)	(2,000)	(2,000)	-
Program Generated Revenue Total	(3,813)	(2,000)	(2,000)	-
 Net Cost				
Manageable Direct Cost	698,962	842,195	862,787	2.45%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	56,914	59,976	62,305	3.88%
Program Generated Revenue Total	(3,813)	(2,000)	(2,000)	-
Net Cost Total	752,064	900,171	923,092	2.55%

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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 2013 Proposed 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 (approved 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 Proposed budget and the service area assessed value at 09/06/2012, would be calculated as follows:

$$\frac{\$ 6,571,613}{\$ 3,299,304,831} \times 1,000 = 1.99$$

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 Proposed	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	125,086	10.29%
Charges to Other Departments	(22,500)	(22,500)	(22,500)	-
Function Cost Total	6,367,604	6,838,673	6,864,727	0.38%
Program Generated Revenue	(15,065)	(274,676)	(293,114)	6.71%
Net Cost Total	6,352,539	6,563,997	6,571,613	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 Proposed	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	125,086	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	125,086	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	3,530,719	0.74%

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

	2011 Actuals	2012 Revised	2013 Proposed	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	-

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 offset by represents the tax cost for the ERCPRSA, based on the 2013 Proposed budget. It includes \$276,054 of revenues associated with the fund that are not considered program revenues, such as P&I on Delinquent Taxes, Auto Tax, Contributions from Other Funds 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 (approved 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 Proposed budget and the service area assessed value at 09/06/2012, would be calculated as follows:

$$\frac{\$ 4,047,560}{\$ 3,579,103,304} \times 1,000 = 1.13$$

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 1.00 mills.

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

	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Fire Lake Rec Ctr (5115) - Department: Parks & Rec	50,000	50,000	50,000	-
ER Park Facilities (5119) - Department: Parks & Rec	20,150	29,484	38,153	29.40%
ER Chugiak Parks (5470) - Department: Parks & Rec	1,634,265	1,303,853	1,303,423	-0.03%
ER Parks Debt (5471) - Department: Parks & Rec	358,381	358,197	348,542	-2.70%
Chugiak Pool (5473) - Department: Parks & Rec	491,844	593,843	612,550	3.15%
Contrib for Cap Improvmnt (5474) - Department: Parks & Rec	1,039,857	1,399,907	1,758,104	25.59%
Direct Cost Total	3,594,496	3,735,284	4,110,772	10.05%
Intragovernmental Charges				
Charges by Other Departments	274,061	305,884	448,565	46.65%
Charges to Other Departments	(30,000)	(30,000)	(30,000)	-
Function Cost Total	3,838,557	4,011,168	4,529,337	12.92%
Program Generated Revenue	(458,256)	(494,960)	(481,777)	-2.66%
Net Cost Total	3,380,301	3,516,208	4,047,560	15.11%

Direct Cost by Category				
Personnel	1,121,124	1,299,143	1,357,506	4.49%
Supplies	69,155	94,150	92,150	-2.12%
Travel	-	-	-	-
Contractual/Other Services	2,043,769	1,973,954	2,302,734	16.66%
Debt Service/Depreciation	358,381	358,197	348,542	-2.70%
Equipment, Furnishings	2,067	9,840	9,840	-
Direct Cost Total	3,594,496	3,735,284	4,110,772	10.05%

Position Summary as Budgeted

Full-Time	7	7	7	-
Part-Time	39	38	38	-
Position Total	46	45	45	-

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

	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Supplies	-	-	-	-
Travel	-	-	-	-
Contractual/Other Services	50,000	50,000	50,000	-
Manageable Direct Cost Total	50,000	50,000	50,000	-
 Debt Service, Depreciation	 -	 -	 -	 -
 Direct Cost Total	 50,000	 50,000	 50,000	 -
Intragovernmental Charges				
Charges by Other Departments	1,113	1,287	1,679	30.46%
 Net Cost				
Manageable Direct Cost	50,000	50,000	50,000	-
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	1,113	1,287	1,679	30.46%
Net Cost Total	51,113	51,287	51,679	0.76%

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

	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Salaries and Benefits				
1101 - Straight Time Labor	9,285	18,688	20,202	8.10%
1201 - Overtime	166	-	1,000	#DIV/0!
1301 - Leave/Holiday Accruals	266	449	485	8.02%
1401 - Benefits	1,161	1,467	1,586	8.11%
1501 - Allow Differentials/Premiums	172	-	-	-
1601 - Vacancy Factor	-	(220)	(220)	-
Salaries and Benefits Total	11,051	20,384	23,053	#DIV/0!
Supplies	839	2,000	3,000	50.00%
Travel	-	-	-	-
Contractual/Other Services	8,259	6,100	11,100	81.97%
Equipment, Furnishings	-	1,000	1,000	-
Manageable Direct Cost Total	20,150	29,484	38,153	29.40%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	20,150	29,484	38,153	29.40%
Intragovernmental Charges				
Charges by Other Departments	6,604	7,723	7,231	-6.37%
Program Generated Revenue				
9442 - Sport And Park Activities	(6,396)	(8,000)	(8,000)	-
Program Generated Revenue Total	(6,396)	(8,000)	(8,000)	-
Net Cost				
Manageable Direct Cost	20,150	29,484	38,153	29.40%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	6,604	7,723	7,231	-6.37%
Program Generated Revenue Total	(6,396)	(8,000)	(8,000)	-
Net Cost Total	20,358	29,207	37,384	28.00%

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

	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Salaries and Benefits				
1101 - Straight Time Labor	437,062	527,483	555,186	5.25%
1201 - Overtime	7,340	6,500	6,500	-
1301 - Leave/Holiday Accruals	33,598	25,410	26,001	2.33%
1401 - Benefits	218,031	230,419	239,050	3.75%
1501 - Allow Differentials/Premiums	113	-	-	-
1601 - Vacancy Factor	-	(7,920)	(7,920)	-
Salaries and Benefits Total	696,144	781,892	818,817	11.32%
Supplies	50,078	75,940	72,940	-3.95%
Travel	-	-	-	-
Contractual/Other Services	887,354	437,181	402,826	-7.86%
Equipment, Furnishings	689	8,840	8,840	-
Manageable Direct Cost Total	1,634,265	1,303,853	1,303,423	-0.03%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	1,634,265	1,303,853	1,303,423	-0.03%
Intragovernmental Charges				
Charges by Other Departments	156,116	227,135	363,681	60.12%
Charges to Other Departments	(30,000)	(30,000)	(30,000)	-
Program Generated Revenue				
9441 - Rec Centers And Programs	(106,065)	(100,000)	(100,000)	-
9442 - Sport And Park Activities	(37,573)	(32,000)	(32,000)	-
9499 - Reimbursed Cost	(27,193)	(26,002)	(26,002)	-
9672 - Prior Yr Expense Recovery	(1,390)	-	-	-
9731 - Lease & Rental Revenue	(6,600)	(6,600)	(6,600)	-
9798 - Miscellaneous Revenues	(5,418)	-	-	-
Program Generated Revenue Total	(184,239)	(164,602)	(164,602)	-
Net Cost				
Manageable Direct Cost	1,634,265	1,303,853	1,303,423	-0.03%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	156,116	227,135	363,681	60.12%
Charges to Other Departments	(30,000)	(30,000)	(30,000)	-
Program Generated Revenue Total	(184,239)	(164,602)	(164,602)	-
Net Cost Total	1,576,142	1,336,386	1,472,502	10.19%

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

	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Travel	-	-	-	-
Contractual/Other Services	-	-	-	-
Manageable Direct Cost Total	-	-	-	-
 Debt Service, Depreciation	358,381	358,197	348,542	-2.70%
 Direct Cost Total	358,381	358,197	348,542	-2.70%
Intragovernmental Charges				
Charges by Other Departments	-	-	-	-
 Net Cost				
Manageable Direct Cost	-	-	-	-
Debt Service, Depreciation	358,381	358,197	348,542	-2.70%
Charges by Other Departments	-	-	-	-
Program Generated Revenue Total	-	-	-	-
Net Cost Total	358,381	358,197	348,542	-2.70%

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

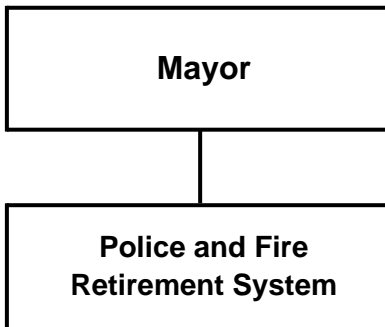
	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Salaries and Benefits				
1101 - Straight Time Labor	275,683	344,220	355,282	3.21%
1201 - Overtime	587	2,000	2,000	-
1301 - Leave/Holiday Accruals	22,846	8,043	8,306	3.27%
1401 - Benefits	110,863	147,437	154,881	5.05%
1501 - Allow Differentials/Premiums	3,950	-	-	-
1601 - Vacancy Factor	-	(4,833)	(4,833)	-
Salaries and Benefits Total	413,929	496,867	515,636	11.53%
Supplies	18,238	16,210	16,210	-
Travel	-	-	-	-
Contractual/Other Services	58,299	80,766	80,704	-0.08%
Manageable Direct Cost Total	491,844	593,843	612,550	3.15%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	491,844	593,843	612,550	3.15%
Intragovernmental Charges				
Charges by Other Departments	110,229	69,739	75,974	8.94%
Program Generated Revenue				
9443 - Aquatics	(267,621)	(250,000)	(250,000)	-
9791 - Cash Over & Short	0	-	-	-
Program Generated Revenue Total	(267,621)	(250,000)	(250,000)	-
Net Cost				
Manageable Direct Cost	491,844	593,843	612,550	3.15%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	110,229	69,739	75,974	8.94%
Program Generated Revenue Total	(267,621)	(250,000)	(250,000)	-
Net Cost Total	334,451	413,582	438,524	6.03%

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

	2011 Actuals	2012 Revised	2013 Proposed	12 v 13 % Chg
Direct Cost				
Travel	-	-	-	-
Contractual/Other Services	1,039,857	1,399,907	1,758,104	25.59%
Manageable Direct Cost Total	1,039,857	1,399,907	1,758,104	25.59%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	1,039,857	1,399,907	1,758,104	25.59%
Intragovernmental Charges				
Charges by Other Departments	-	-	-	-
Net Cost				
Manageable Direct Cost	1,039,857	1,399,907	1,758,104	25.59%
Debt Service, Depreciation	-	-	-	-
Charges by Other Departments	-	-	-	-
Net Cost Total	1,039,857	1,399,907	1,758,104	25.59%

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

	2011 Actuals	2012 Revised	2013 Proposed	13 v 12 % Chg
Direct Cost by Division				
Police and Fire Retirement System Administration	31,261,374	917,680	898,031	<2.14%>
Direct Cost Total	31,261,374	917,680	898,031	<2.14%>
Intragovernmental Charges				
Charges by Other Departments	57,218	58,052	58,668	1.06%
Function Cost Total	31,318,591	975,732	956,699	<1.95%>
Program Generated Revenue	(8,662,579)	(6,570,055)	(10,309,412)	56.92%
Net Cost Total	22,656,012	(5,594,323)	(9,352,713)	67.18%
<hr/>				
Direct Cost by Category				
Personnel	488,202	494,790	507,421	2.55%
Supplies	2,599	2,500	2,600	4.00%
Travel	-	40,000	39,990	<0.03%>
Contractual/OtherServices	30,766,336	364,390	333,520	<8.47%>
Debt Service/Depreciation	4,236	6,000	4,500	<25.00%>
Equipment, Furnishings	-	10,000	10,000	-
Direct Cost Total	31,261,374	917,680	898,031	<2.14%>
<hr/>				
Position Summary as Budgeted				
Part-Time	3	1	1	
Full-Time	9	3	3	
Position Total	12	4	4	

Positions count represents allocation of work among four employees rather than actual position gains and losses.

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

	2011 Actuals	2012 Revised	2013 Proposed	13 v 12 % Chg
Direct Cost by Category				
Salaries and Benefits	488,202	494,790	507,421	2.55%
Supplies	2,599	2,500	2,600	4.00%
Travel	-	40,000	39,990	<0.03%>
Contractual/Other Services	30,766,336	364,390	333,520	<8.47%>
Equipment, Furnishings	-	10,000	10,000	-
Manageable Direct Cost Total	31,257,137	911,680	893,531	<1.99%>
Debt Service, Depreciation	4,236	6,000	4,500	<25.00%>
Direct Cost Total	31,261,374	917,680	898,031	<2.14%>
Revenue by Fund				
Fund 715 - Police/Fire Retirement Trust	8,662,579	6,570,055	10,309,412	56.92%
Revenue Total	8,662,579	6,570,055	10,309,412	56.92%

Positions as Budgeted

	2011 Revised		2012 Revised		2013 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Director	3	-	1	-	1	-
Retirement Specialist I	3	-	1	-	1	-
Retirement Specialist IV	3	3	1	1	1	1
Positions as Budgeted Total	9	3	3	1	3	1

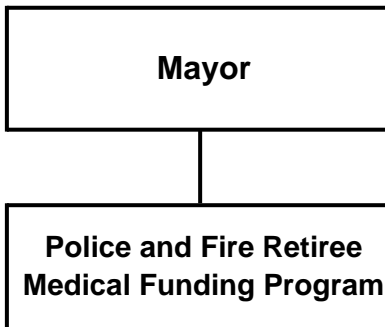
Police and Fire Retirement System
Division Detail
Police and Fire Retirement System Administration
(Dept ID # 1710, 1721, 1722, 1723)

	2011 Actuals	2012 Revised	2013 Proposed	13 v 12 % Chg
Direct Cost by Category				
Salaries and Benefits				
1101 - Straight Time Labor	280,646	311,450	316,949	1.77%
1201 - Overtime	524	300	300	-
1301 - Leave/Holiday Accruals	37,812	5,211	5,306	1.82%
1401 - Benefits	169,220	177,829	184,866	3.96%
Salaries and Benefits Total	488,202	494,790	507,421	2.55%
Supplies	2,599	2,500	2,600	4.00%
Travel	-	40,000	39,990	<0.03%>
Contractual/Other Services	30,766,336	364,390	333,520	<8.47%>
Equipment, Furnishings	-	10,000	10,000	-
Manageable Direct Cost Total	31,257,137	911,680	893,531	<1.99%>
Debt Service, Depreciation	4,236	6,000	4,500	<25.00%>
Direct Cost Total	31,261,374	917,680	898,031	<2.14%>
Intra-Governmental Charges				
Charges By Other Departments	57,218	58,052	58,668	1.06%
Program Generated Revenue				
9601 - Contributions Other Funds	8,563,000	6,239,875	9,999,659	60.25%
9631 - Employee Contribution to PFRS	417,108	330,180	309,753	<6.19%>
9745 - Gain Sale Of Investments	18,713,075	-	-	-
9761 - Cash Pools Short-Term Int	1,356	-	-	-
9765 - Other Interest Income	4,415,523	-	-	-
9766 - Dividend Income	1,151,373	-	-	-
9767 - Unrealized Gains & Losses	(24,670,871)	-	-	-
9798 - Miscellaneous Revenues	72,015	-	-	-
Program Generated Revenue Total	8,662,579	6,570,055	10,309,412	56.92%
Net Cost				
Manageable Direct Cost	31,257,137	911,680	893,531	<1.99%>
Debt Service, Depreciation	4,236	6,000	4,500	<25.00%>
Charges By Other Departments	57,218	58,052	58,668	1.06%
Program Generated Revenue	(8,662,579)	(6,570,055)	(10,309,412)	56.92%
Net Cost Total	22,656,012	(5,594,323)	(9,352,713)	67.18%

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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.

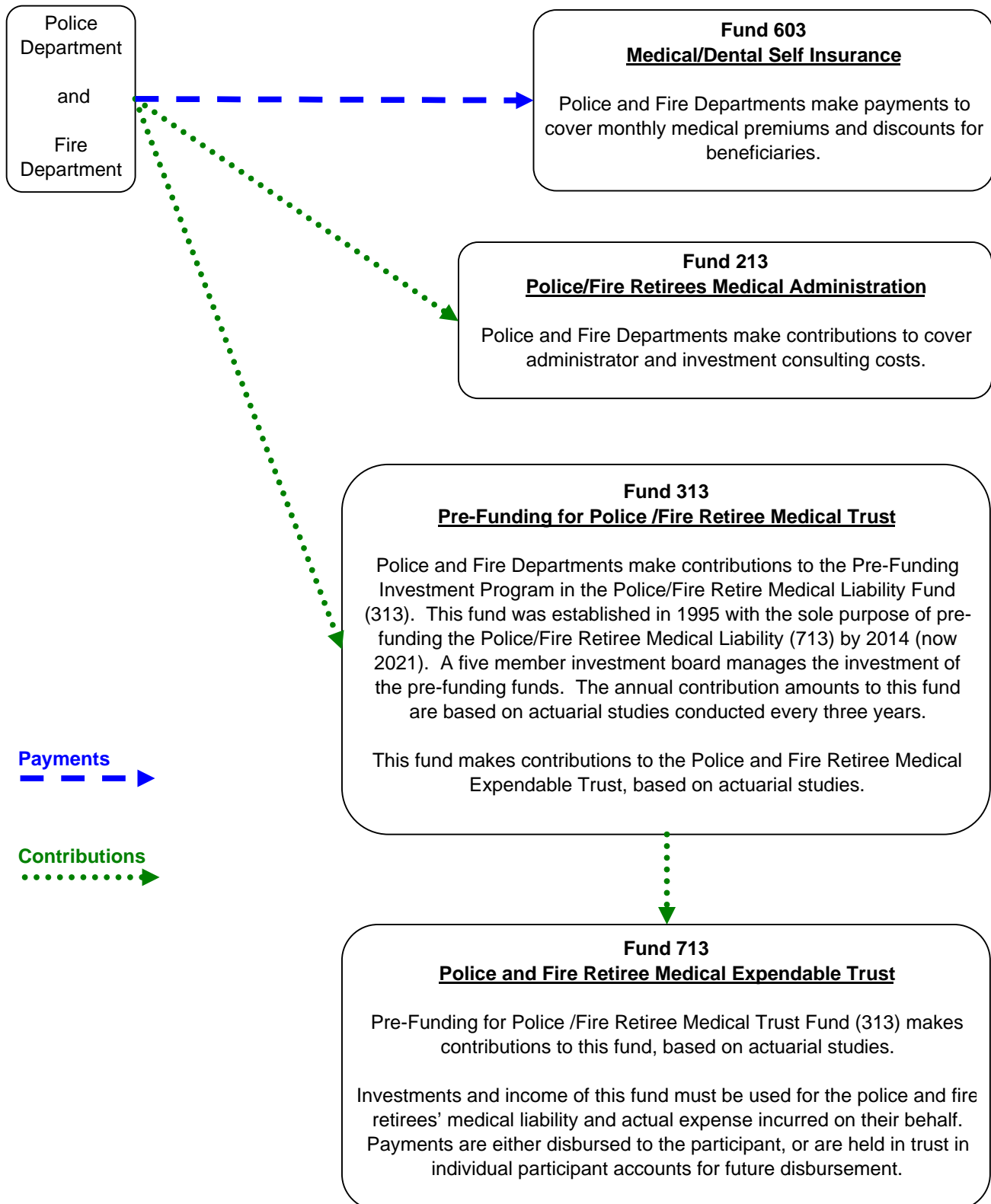
The Trust is administered by an eight-person board of trustees.

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

	2011 Actuals	2012 Revised	2013 Proposed	13 v 12 % Chg
Direct Cost by Division				
Police and Fire Retiree Medical Funding Program	3,021,066	3,200,201	3,272,810	2.27%
Direct Cost Total	3,021,066	3,200,201	3,272,810	2.27%
Intragovernmental Charges				
Charges by Other Departments	1,139	827	21,045	2444.71%
Function Cost Total	3,022,206	3,201,028	3,293,854	2.90%
Program Generated Revenue	256,012	(273,145)	(277,007)	1.41%
Net Cost Total	3,278,218	2,927,883	3,016,847	3.04%
<hr/>				
Direct Cost by Category				
Personnel	114,344	119,829	123,742	3.27%
Supplies	-	1,280	1,280	-
Travel	-	-	-	-
Contractual/Other Services	2,906,723	3,079,092	3,147,788	2.23%
Debt Service/Depreciation	-	-	-	-
Direct Cost Total	3,021,066	3,200,201	3,272,810	2.27%
<hr/>				
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)

	2011 Actuals	2012 Revised	2013 Proposed	13 v 12 % Chg
Direct Cost by Category				
Salaries and Benefits	114,344	119,829	123,742	3.27%
Supplies	-	1,280	1,280	-
Travel	-	-	-	-
Contractual/Other Services	2,906,723	3,079,092	3,147,788	2.23%
Manageable Direct Cost Total	3,021,066	3,200,201	3,272,810	2.27%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	3,021,066	3,200,201	3,272,810	2.27%
Revenue by Fund				
Fund 213 - Police/Fire Retirees Med Admin	184,958	183,145	187,007	2.11%
Fund 313 - Police/Fire Ret Med Liability	(440,970)	90,000	90,000	-
Revenue Total	(256,012)	273,145	277,007	1.41%

Positions as Budgeted

	2011 Revised		2012 Revised		2013 Proposed	
	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)

	2011 Actuals	2012 Revised	2013 Proposed	13 v 12 % Chg
Direct Cost by Category				
Salaries and Benefits				
1101 - Straight Time Labor	67,965	74,792	76,737	2.60%
1301 - Leave/Holiday Accruals	4,608	1,496	1,535	2.60%
1401 - Benefits	41,771	43,541	45,470	4.43%
Salaries and Benefits Total	114,344	119,829	123,742	3.27%
Supplies	-	1,280	1,280	-
Travel	-	-	-	-
Contractual/Other Services	2,906,723	3,079,092	3,147,788	2.23%
Manageable Direct Cost Total	3,021,066	3,200,201	3,272,810	2.27%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	3,021,066	3,200,201	3,272,810	2.27%
Intra-Governmental Charges				
Charges By Other Departments	1,139	827	21,045	2444.71%
Program Generated Revenue				
9601 - Contributions Other Funds	182,535	182,535	186,397	2.12%
9745 - Gain Sale Of Investments	193,957	-	-	-
9761 - Cash Pools Short-Term Int	2,141	610	610	-
9765 - Other Interest Income	160,043	90,000	90,000	-
9766 - Dividend Income	663,839	-	-	-
9767 - Unrealized Gains & Losses	(1,458,527)	-	-	-
Program Generated Revenue Total	(256,012)	273,145	277,007	1.41%
Net Cost				
Manageable Direct Cost	3,021,066	3,200,201	3,272,810	2.27%
Debt Service, Depreciation	-	-	-	-
Charges By Other Departments	1,139	827	21,045	2444.71%
Program Generated Revenue	256,012	(273,145)	(277,007)	1.41%
Net Cost Total	3,278,218	2,927,883	3,016,847	3.04%

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>
2011	295,570	722,718
2010	291,826	710,231
2009	290,588	714,146
2008	283,912	697,828
2007	282,968	686,818

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%

Source: U.S. Census 2010

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	\$73,004
Family income	\$75,439
Household size	2.66
Family size	3.19

Source: U.S. Census 2010

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

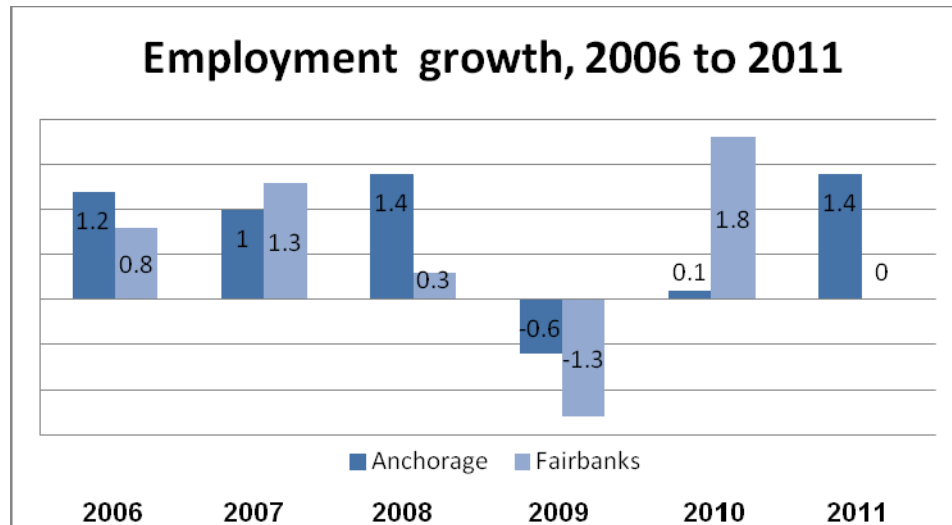
³ Private education only

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
2011	6.7	6.7	6.6	6.2	6.1	6.6	6.0	6.0	6.0	5.6	5.4	5.5	6.1
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

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

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 Highway 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	9
(mobile intensive care unit ambulances)	
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

Municipality of Anchorage Fund Structure

Governmental Funds			Proprietary Funds	Fiduciary Funds
General Fund			Internal Service Funds	Trust Funds
Significant Sub-Funds			602 General Liability / Workers' Comp	713 Police & Fire Retirees Medical
101 Areawide General			603 Medical/Dental Self Insurance	715 Police & Fire Retirement System
104 Chugiak Fire SA			604 Unemployment Compensation	
106 Girdwood Valley SA				
109 Chugiak/Birchwood/Eagle River RRSA			601 Equipment Maintenance Operations	
131 Anchorage Fire SA			606 Equipment Maintenance Capital	
141 Anchorage Roads & Drainage SA				
151 Anchorage Metropolitan Police SA			607 Management Information Systems Operations	
161 Anchorage Parks & Recreation SA			608 Management Information Systems Capital	
162 Eagle River/Chugiak Parks/Rec SA				
181 Anchorage Building Safety SA				
191 Public Finance & Investment Fund				
Smaller Sub-Funds			Enterprise Funds	
102 Former City SA			53X Municipal Light & Power	
105 Glen Alps SA			54X Water Utility	
108 Former Borough SA			55X Wastewater Utility	
111 Birchtree/Elmore LRSA			56X Refuse Utility	
112 Sec. 6/Campbell Airstrip LRSA			56Y Solid Waste	
113 Valli-Vue Estates LRSA			57X Port of Anchorage	
114 Skyranche Estates LRSA			58X Merrill Field Municipal Airport	
115 Upper Grover LRSA				
116 Raven Woods/Bubbling Brook LRSA				
117 Mt. Park Estates LRSA			Component Units	
118 Mt. Park/Robin Hill RRSA			**** Anchorage School District (ASD)	
121 Eaglewood Contributing RSA			♦ Anchorage Community Development Authority (ACDA)	
122 Gateway Contributing RSA			♦ Alaska Center for Performing Arts, Inc. (ACPA)	
123 Lakehill LRSA			♦ CIVICVentures (blended component unit)	
124 Totem LRSA				
125 Paradise Valley South LRSA				
126 SRW Homeowners LRSA				
129 Eagle River Street Light SA				
142 Talus West LRSA				
143 Upper O'Malley LRSA				
144 Bear Valley LRSA				
145 Rabbit Creek View/Heights LRSA				
146 Villages Scenic Parkway LRSA				
147 Sequoia Estates LRSA				
148 Rockhill LRSA				
149 South Golden view Area RRSA				
213 Police/Fire Retirees Medical				
Capital Projects Funds				
401 Areawide General CIP				
404 Chugiak Fire SA CIP				
406 Girdwood Valley SA CIP				
409 Misc Capital Projects Pass-Thru				
419 CBERRRSA CIP				
420 Chugiak/Birchwd/ER Other CIP				
421 Heritage Land Bank CIP				
431 Anchorage Fire SA CIP				
441 Anchorage Roads & Drainage SA CIP				
451 Anchorage Police SA CIP				
461 Anchorage Bowl Parks & Rec SA CIP				
462 Eagle River/Chugiak Parks & Rec SA CIP				
485 Public Transportation CIP				
740 Historic Preservation Fund				
Permanent Funds				
720 Cemetery Trust Fund				
730 MOA Trust				

Audited Financial Reporting
All funds are included in the audited Consolidated Annual Financial Report (CAFR) and Detail Statements and Schedules, to the extent required, additionally:

- ♦ Complete financial statements can be obtained from entities' administrative office
- Stand-alone financial statements can be obtained from entities' administrative office

Appropriated Funds

- * Included in GGOB annual appropriation and subject to supplemental appropriations
- ** Included in utilities' annual appropriation and subject to supplemental appropriations
- *** Included as section in GGOB annual appropriation and subject to supplemental appropriations
- **** Subject to appropriations
- ◇ Submission of budget to Mayor and Assembly required

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 – Skyranh 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. The appropriation for this fund is separately disclosed on the ordinance that approves the General Government Operating Budget, 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 resulted in approximately \$20 million in property tax savings annually.

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 2013 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 (AMC 6.40.015).

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 (AMC 13.02).

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 1st).

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 2	Preliminary budget information to Assembly
October 1	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.

2013 Proposed 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

Appendix T

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