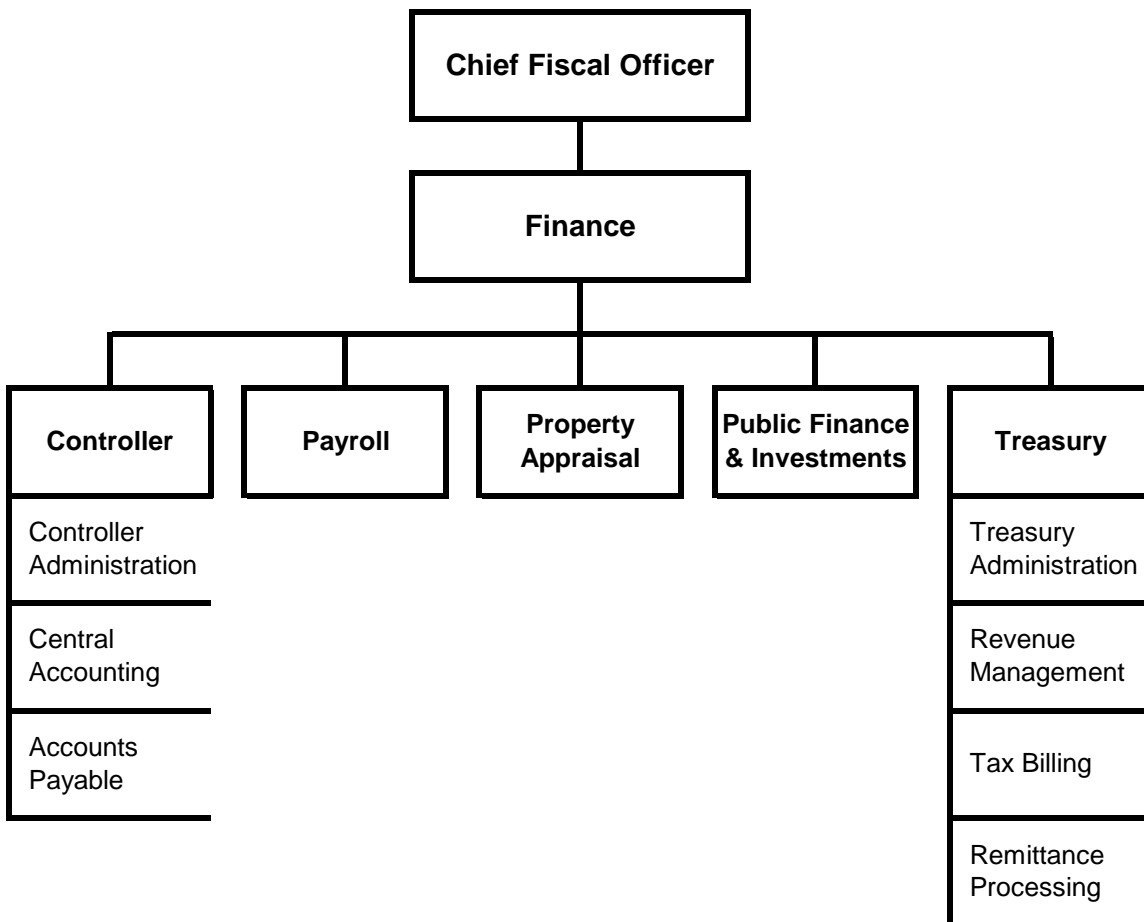


Finance



Finance

Description

The Finance Department's mission is to support public services with prudent and proactive financial services, such as:

Generate and collect revenues to fund municipal operations

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

Department Services/Divisions

- Controller Division is responsible for all municipal accounting functions. This includes fund accounting, grant accounting, capital project accounting, reconciliations, accounts payable, fixed assets, and the compilation of the Comprehensive Annual Financial Report (CAFR).
- Central Payroll Division is responsible for all bi-weekly payroll processing, serving over 2,800 Municipal employees. Central Payroll is responsible for all weekly, quarterly and yearly payroll taxes and year-end W2s. All payroll liability accounts are reconciled by Central Payroll as well as any audits that are requested by the external auditors and the internal Collective Bargaining Units. Central Payroll modifies and maintains the KRONOS time keeping system.
- Property Appraisal Division provides a fair and equitable basis for the valuation of all taxable property within the Municipality of Anchorage. The Division administers all property tax exemption determinations as well as provides administrative support for the Board of Equalization.
- Public Finance and Investment Division is responsible for issuing and managing municipal bonds, investments, and cash.
- Treasury Division is responsible for billing, collecting, and auditing major municipal revenue sources. Additional Treasury Division responsibilities include cash receipt processing and remittance processing services.

Department Goals that Contribute to Achieving the Mayor's Mission:



Administration – Make city government more efficient, accessible, transparent, and responsive to the citizens of Anchorage

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.
- Record transactions accurately and timely.
- Pay employees and vendors accurately and timely.

Finance Department – Central Payroll Division

- Make accurate and timely payments to all Municipality Of Anchorage employees.

- Make all statutory deductions and verifying that all required procedures are followed in connection with these deductions.
- Maintain records and reports required by the Municipality, State, and Federal governmental agencies pertaining to personnel paid through the payroll system.

Finance Department - Public Finance and Investments Division

- Maintain at least the current AAA rating by Standard & Poor's and AA+ rating by Fitch for the MOA's general obligation.
- Provide an aggregate investment return, net of fees, that outperforms the benchmark for the MOA's aggregate portfolio.
- Refund any outstanding debt that provides a minimum net present value savings and provide the most cost effective source of financing for all departments of the MOA.
- Invest only securities that comply with AMC at the time of investment.

Finance Department - Treasury Division

- Enforce and increase collections of all valid taxes and delinquent fines and fees owed to the Municipality.
- Promote and improve timely posting and analysis of municipal revenues.



Strengthen Anchorage's Economy – Build a city that attracts and retains a talented workforce, the most innovative companies, and provides a strong environment for economic growth

Finance Department - Treasury Division

- Provide enhanced service to the general public and business community and increase growth in e-commerce (i.e. information sharing and monetary transactions) through increased public use of the Municipal website and other means.

Finance Department - Property Appraisal Division

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

Finance Department Summary

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Division				
FIN Controller	3,167,253	3,505,816	3,179,952	(9.29%)
FIN Payroll	1,610,609	1,319,581	1,292,607	(2.04%)
FIN Property Appraisal	4,080,542	4,341,936	4,373,578	0.73%
FIN Public Finance & Investment	1,680,141	1,703,289	2,450,463	43.87%
FIN Treasury	3,162,406	3,493,918	3,288,147	(5.89%)
Direct Cost Total	13,700,951	14,364,540	14,584,747	1.53%
Intragovernmental Charges				
Charges by/to Other Departments	(3,484,348)	(4,220,381)	(3,617,409)	(14.29%)
Function Cost Total	10,216,603	10,144,159	10,967,338	8.11%
Program Generated Revenue	(2,722,513)	(2,346,939)	(3,099,838)	32.08%
Net Cost Total	7,494,090	7,797,220	7,867,500	0.90%
Direct Cost by Category				
Salaries and Benefits	11,770,844	12,176,070	12,408,256	1.91%
Supplies	80,944	73,040	69,969	(4.20%)
Travel	7,666	22,000	7,000	(68.18%)
Contractual/Other Services	1,766,036	1,937,630	2,075,722	7.13%
Debt Service	-	-	-	-
Equipment, Furnishings	75,461	155,800	23,800	(84.72%)
Direct Cost Total	13,700,951	14,364,540	14,584,747	1.53%
Position Summary as Budgeted				
Full-Time	113	104	105	0.96%
Part-Time	2	1	1	-
Position Total	115	105	106	0.95%

2017 Positions: end-of-year count is 103 due to 3 FT positions being eliminated July 1, 2017 due to SAP go-live.

Finance

Reconciliation from 2016 Revised Budget to 2017 Approved Budget

	Direct Costs	Positions		
		FT	PT	Seas/T
2016 Revised Budget	14,364,540	104	1	-
2016 One-Time Requirements				
- <u>Treasury</u> - Remove 2016 1Q - ONE-TIME - Software and non-labor costs to support new marijuana retail sales tax.	(241,775)	-	-	-
Changes in Existing Programs/Funding for 2017				
- Salary and benefits adjustments	219,471	-	-	-
2017 Continuation Level	14,342,236	104	1	-
2017 One-Time Requirements				
- <u>Property Appraisal</u> - Reduction in fleet rental rates	(10,767)	-	-	-
2017 Proposed Budget Changes				
- <u>Controller</u> - Reduce SAP Backfill in Professional Services	(417,600)	-	-	-
- <u>Controller</u> - Eliminate 1 FT position after July 1, 2017 due to SAP going live.	(62,030)	(1)	-	-
- <u>Controller</u> - Eliminate 1 FT full-year position.	(103,121)	(1)	-	-
- <u>Payroll</u> - Reduce SAP Backfill in Professional Services	(7,504)	-	-	-
- <u>Payroll</u> - Eliminate 2 FT positions after July 1, 2017 due to SAP going live.	(85,376)	(2)	-	-
- <u>Treasury</u> - Reduce overestimated postage increase.	(2,400)	-	-	-
- <u>Property Appraisal</u> - Reduce fuel - align budget with current fuel costs	(693)	-	-	-
2017 S Version Budget Changes				
- <u>Public Finance</u> - contribute Public Finance & Investment Fund (Fund 164000, PS 191) Fund Balance to Finance Department and Information Technology Department, Areawide Fund 101000	387,552	-	-	-
- <u>Public Finance</u> - add two positions and non-labor funded with anticipated increase in revenues in Public Finance & Investment Fund (164000, PS 191)	333,026	2	-	-
- <u>Controller & Payroll</u> - add back half of \$425,104 for SAP backfill professional services for CAFR support funded with contribution from Public Finance & Investment Fund (164000, PS 191)	212,552	-	-	-
2017 Assembly Amendments				
- <u>Assembly Member Flynn, as amended by Assembly Member Weddleton</u> - Restore \$120,937 to the Library Department funded by specific reductions of 1.5958% to all departments' supply budgets except Police and Fire	(1,128)	-	-	-
2017 Approved Budget	14,584,747	102	1	-

Finance
Division Summary
FIN Controller

(Fund Center # 132479, 132200, 132279, 132400, 132179, 132100)

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	2,844,487	3,035,286	2,919,350	(3.82%)
Supplies	13,294	12,230	11,102	(9.22%)
Travel	4,533	2,000	2,000	-
Contractual/Other Services	285,967	444,300	235,500	(47.00%)
Equipment, Furnishings	18,972	12,000	12,000	-
Manageable Direct Cost Total	3,167,253	3,505,816	3,179,952	(9.29%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	3,167,253	3,505,816	3,179,952	-
Intragovernmental Charges				
Charges by/to Other Departments	(3,108,734)	(3,580,328)	(2,933,961)	(18.05%)
Function Cost Total	58,519	(74,512)	245,991	(430.13%)
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	14,190	9,600	208,800	2075.00%
Program Generated Revenue Total	14,190	9,600	208,800	2075.00%
Net Cost Total	44,330	(84,112)	37,191	(144.22%)
Position Summary as Budgeted				
Full-Time	30	23	22	(4.35%)
Position Total	30	23	22	(4.35%)

2017 Positions: end-of-year count is 21 due to 1 FT positions being eliminated July 1, 2017 due to SAP go-live.

Finance
Division Detail
FIN Controller

(Fund Center # 132479, 132200, 132279, 132400, 132179, 132100)

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	2,844,487	3,035,286	2,919,350	(3.82%)
Supplies	13,294	12,230	11,102	(9.22%)
Travel	4,533	2,000	2,000	-
Contractual/Other Services	285,967	444,300	235,500	(47.00%)
Equipment, Furnishings	18,972	12,000	12,000	-
Manageable Direct Cost Total	3,167,253	3,505,816	3,179,952	(9.29%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	3,167,253	3,505,816	3,179,952	(9.29%)
Intragovernmental Charges				
Charges by/to Other Departments	(3,108,734)	(3,580,328)	(2,933,961)	(18.05%)
Program Generated Revenue				
406625 - Reimbursed Cost-NonGrant Funded	6,587	9,600	-	(100.00%)
408380 - Prior Year Expense Recovery	7,602	-	-	-
408550 - Cash Over & Short	1	-	-	-
450010 - Contributions from Other Funds	-	-	208,800	100.00%
Program Generated Revenue Total	14,190	9,600	208,800	2075.00%
Net Cost				
Direct Cost Total	3,167,253	3,505,816	3,179,952	(9.29%)
Charges by/to Other Departments Total	(3,108,734)	(3,580,328)	(2,933,961)	(18.05%)
Program Generated Revenue Total	(14,190)	(9,600)	(208,800)	2075.00%
Net Cost Total	44,330	(84,112)	37,191	(144.22%)

Position Detail as Budgeted

	2015 Revised		2016 Revised		2017 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
6SAP SME - NEW 004	1	-	-	-	-	-
6SAP SME - NEW 006	1	-	-	-	-	-
Accounting Clerk IV	2	-	2	-	2	-
Administrative Officer	1	-	1	-	1	-
Controller	1	-	1	-	1	-
Finance Supervisor	3	-	3	-	3	-
Junior Accountant	1	-	1	-	-	-
Management Systems Officer II	1	-	1	-	1	-
Principal Admin Officer	1	-	1	-	1	-
SAP Analyst	1	-	-	-	-	-
SAP NEW 08	1	-	-	-	-	-
SAP SME - NEW	1	-	-	-	-	-
SAP SME - NEW 002	1	-	-	-	-	-
SAP SME - NEW 003	1	-	1	-	1	-

2017 Approved General Government Operating Budget

Position Detail as Budgeted

	2015 Revised		2016 Revised		2017 Approved	
	<u>Full Time</u>	<u>Part Time</u>	<u>Full Time</u>	<u>Part Time</u>	<u>Full Time</u>	<u>Part Time</u>
SAP SME - NEW 05	1	-	-	-	-	-
Senior Accountant	4	-	4	-	4	-
Senior Staff Accountant	8	-	8	-	8	-
Position Detail as Budgeted Total	30	-	23	-	22	-

2017 Positions: end-of-year count is 21 due to 1 FT positions being eliminated July 1, 2017 due to SAP go-live.

Finance
Division Summary
FIN Payroll

(Fund Center # 132300, 132379, 132371, 132372)

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	1,454,799	1,296,927	1,273,705	(1.79%)
Supplies	7,241	1,250	1,250	-
Travel	-	-	-	-
Contractual/Other Services	135,839	21,404	17,652	(17.53%)
Equipment, Furnishings	12,731	-	-	-
Manageable Direct Cost Total	1,610,609	1,319,581	1,292,607	(2.04%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	1,610,609	1,319,581	1,292,607	-
Intragovernmental Charges				
Charges by/to Other Departments	(1,605,978)	(1,315,581)	(1,284,854)	(2.34%)
Function Cost Total	4,632	4,000	7,753	93.82%
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	4,634	4,000	7,752	93.80%
Program Generated Revenue Total	4,634	4,000	7,752	93.80%
Net Cost Total	(3)	-	1	23500.44%
Position Summary as Budgeted				
Full-Time	16	14	14	-
Position Total	16	14	14	-

2017 Positions: end-of-year count is 12 due to 2 FT positions being eliminated July 1, 2017 due to SAP go-live.

Finance
Division Detail
FIN Payroll

(Fund Center # 132300, 132379, 132371, 132372)

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	1,454,799	1,296,927	1,273,705	(1.79%)
Supplies	7,241	1,250	1,250	-
Travel	-	-	-	-
Contractual/Other Services	135,839	21,404	17,652	(17.53%)
Equipment, Furnishings	12,731	-	-	-
Manageable Direct Cost Total	1,610,609	1,319,581	1,292,607	(2.04%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	1,610,609	1,319,581	1,292,607	(2.04%)
Intragovernmental Charges				
Charges by/to Other Departments	(1,605,978)	(1,315,581)	(1,284,854)	(2.34%)
Program Generated Revenue				
406610 - Computer Time Fees	334	1,000	1,000	-
406625 - Reimbursed Cost-NonGrant Funded	4,298	3,000	3,000	-
408550 - Cash Over & Short	3	-	-	-
450010 - Contributions from Other Funds	-	-	3,752	100.00%
Program Generated Revenue Total	4,634	4,000	7,752	93.80%
Net Cost				
Direct Cost Total	1,610,609	1,319,581	1,292,607	(2.04%)
Charges by/to Other Departments Total	(1,605,978)	(1,315,581)	(1,284,854)	(2.34%)
Program Generated Revenue Total	(4,634)	(4,000)	(7,752)	93.80%
Net Cost Total	(3)	-	1	23500.44%

Position Detail as Budgeted

	2015 Revised		2016 Revised		2017 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Administrative Officer	1	-	1	-	1	-
Finance Supervisor	1	-	1	-	1	-
Junior Accountant	6	-	5	-	5	-
Principal Accountant	3	-	3	-	3	-
Senior Accountant	3	-	2	-	2	-
Senior Staff Accountant	1	-	1	-	1	-
Technology Analyst	1	-	1	-	1	-
Position Detail as Budgeted Total	16	-	14	-	14	-

2017 Positions: end-of-year count is 12 due to 2 FT positions being eliminated July 1, 2017 due to SAP go-live.

Finance
Division Summary
FIN Property Appraisal
(Fund Center # 135100)

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	3,894,049	4,162,574	4,205,676	1.04%
Supplies	36,041	32,160	31,467	(2.15%)
Travel	745	5,000	5,000	-
Contractual/Other Services	143,814	139,202	128,435	(7.73%)
Equipment, Furnishings	5,892	3,000	3,000	-
Manageable Direct Cost Total	4,080,542	4,341,936	4,373,578	0.73%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	4,080,542	4,341,936	4,373,578	-
Intragovernmental Charges				
Charges by/to Other Departments	1,619,222	1,038,700	1,016,409	(2.15%)
Function Cost Total	5,699,764	5,380,636	5,389,987	0.17%
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	7,287	7,780	7,780	-
Program Generated Revenue Total	7,287	7,780	7,780	-
Net Cost Total	5,692,478	5,372,856	5,382,207	0.17%
Position Summary as Budgeted				
Full-Time	36	36	36	-
Position Total	36	36	36	-

Finance
Division Detail
FIN Property Appraisal
(Fund Center # 135100)

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	3,894,049	4,162,574	4,205,676	1.04%
Supplies	36,041	32,160	31,467	(2.15%)
Travel	745	5,000	5,000	-
Contractual/Other Services	143,814	139,202	128,435	(7.73%)
Equipment, Furnishings	5,892	3,000	3,000	-
Manageable Direct Cost Total	4,080,542	4,341,936	4,373,578	0.73%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	4,080,542	4,341,936	4,373,578	0.73%
Intragovernmental Charges				
Charges by/to Other Departments	1,619,222	1,038,700	1,016,409	(2.15%)
Program Generated Revenue				
406130 - Appraisal Appeal Fee	(250)	5,000	5,000	-
406570 - Micro-Fiche Fees	3,470	2,000	2,000	-
406580 - Copier Fees	201	680	680	-
406610 - Computer Time Fees	158	100	100	-
406625 - Reimbursed Cost-NonGrant Funded	3,708	-	-	-
Program Generated Revenue Total	7,287	7,780	7,780	-
Net Cost				
Direct Cost Total	4,080,542	4,341,936	4,373,578	0.73%
Charges by/to Other Departments Total	1,619,222	1,038,700	1,016,409	(2.15%)
Program Generated Revenue Total	(7,287)	(7,780)	(7,780)	-
Net Cost Total	5,692,478	5,372,856	5,382,207	0.17%

Position Detail as Budgeted

	2015 Revised		2016 Revised		2017 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk III	4	-	4	-	4	-
Administrative Officer	1	-	1	-	1	-
Appraisal Analyst	11	-	11	-	11	-
Appraisal Supervisor	3	-	3	-	3	-
Appraiser	5	-	5	-	5	-
Municipal Assessor	1	-	1	-	1	-
Property Appraisal Admin	2	-	2	-	2	-
Senior Appraiser	9	-	9	-	9	-
Position Detail as Budgeted Total	36	-	36	-	36	-

Finance
Division Summary
FIN Public Finance & Investment
(Fund Center # 131300)

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	651,769	675,855	965,693	42.88%
Supplies	1,355	2,100	2,100	-
Travel	796	-	-	-
Contractual/Other Services	1,026,032	1,023,334	1,480,670	44.69%
Equipment, Furnishings	189	2,000	2,000	-
Manageable Direct Cost Total	1,680,141	1,703,289	2,450,463	43.87%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	1,680,141	1,703,289	2,450,463	-
Intragovernmental Charges				
Charges by/to Other Departments	104,751	109,336	177,893	62.70%
Function Cost Total	1,784,892	1,812,625	2,628,356	45.00%
Program Generated Revenue by Fund				
Fund 164000 - Public Finance and Investment	2,234,380	1,875,759	2,425,706	29.32%
Program Generated Revenue Total	2,234,380	1,875,759	2,425,706	29.32%
Net Cost Total	(449,489)	(63,134)	202,650	(420.98%)
Position Summary as Budgeted				
Full-Time	4	4	6	50.00%
Position Total	4	4	6	50.00%

Finance
Division Detail
FIN Public Finance & Investment
(Fund Center # 131300)

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	651,769	675,855	965,693	42.88%
Supplies	1,355	2,100	2,100	-
Travel	796	-	-	-
Contractual/Other Services	1,026,032	1,023,334	1,480,670	44.69%
Equipment, Furnishings	189	2,000	2,000	-
Manageable Direct Cost Total	1,680,141	1,703,289	2,450,463	43.87%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	1,680,141	1,703,289	2,450,463	43.87%
Intragovernmental Charges				
Charges by/to Other Departments	104,751	109,336	177,893	62.70%
Program Generated Revenue				
406560 - Service Fees - School District	401,141	416,000	416,000	-
406625 - Reimbursed Cost-NonGrant Funded	674,392	285,228	402,018	40.95%
408580 - Miscellaneous Revenues	1,139,443	1,154,280	1,570,000	36.02%
440010 - GCP CshPool ST-Int(MOA/ML&P)	23,124	20,251	37,688	86.10%
440040 - Other Short-Term Interest	5,514	-	-	-
440080 - UnRlzd Gns&Lss Invs(MOA/AWWU)	(9,234)	-	-	-
Program Generated Revenue Total	2,234,380	1,875,759	2,425,706	29.32%
Net Cost				
Direct Cost Total	1,680,141	1,703,289	2,450,463	43.87%
Charges by/to Other Departments Total	104,751	109,336	177,893	62.70%
Program Generated Revenue Total	(2,234,380)	(1,875,759)	(2,425,706)	29.32%
Net Cost Total	(449,489)	(63,134)	202,650	(420.98%)

Position Detail as Budgeted

	2015 Revised		2016 Revised		2017 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Financial Analyst	-	-	-	-	1	-
Principal Accountant	1	-	1	-	1	-
Public Finance Manager	2	-	2	-	2	-
Reconciliation Accountant	-	-	-	-	1	-
Senior Finance Officer	1	-	1	-	1	-
Position Detail as Budgeted Total	4	-	4	-	6	-

Finance
Division Summary
FIN Treasury

(Fund Center # 134700, 134276, 134274, 134271, 134771, 134679, 134273, 134671, 134275,...)

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	2,925,739	3,005,428	3,043,832	1.28%
Supplies	23,014	25,300	24,050	(4.94%)
Travel	1,592	15,000	-	(100.00%)
Contractual/Other Services	174,385	309,390	213,465	(31.00%)
Equipment, Furnishings	37,677	138,800	6,800	(95.10%)
Manageable Direct Cost Total	3,162,406	3,493,918	3,288,147	(5.89%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	3,162,406	3,493,918	3,288,147	-
Intragovernmental Charges				
Charges by/to Other Departments	(493,609)	(472,508)	(592,896)	25.48%
Function Cost Total	2,668,796	3,021,410	2,695,251	(10.79%)
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	462,022	449,800	449,800	-
Program Generated Revenue Total	462,022	449,800	449,800	-
Net Cost Total	2,206,775	2,571,610	2,245,451	(12.68%)
Position Summary as Budgeted				
Full-Time	27	27	27	-
Part-Time	2	1	1	-
Position Total	29	28	28	-

Finance Division Detail

FIN Treasury

(Fund Center # 134700, 134276, 134274, 134271, 134771, 134679, 134273, 134671, 134275,...)

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	2,925,739	3,005,428	3,043,832	1.28%
Supplies	23,014	25,300	24,050	(4.94%)
Travel	1,592	15,000	-	(100.00%)
Contractual/Other Services	174,385	309,390	213,465	(31.00%)
Equipment, Furnishings	37,677	138,800	6,800	(95.10%)
Manageable Direct Cost Total	3,162,406	3,493,918	3,288,147	(5.89%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	3,162,406	3,493,918	3,288,147	(5.89%)
Intragovernmental Charges				
Charges by/to Other Departments	(493,609)	(472,508)	(592,896)	25.48%
Program Generated Revenue				
401040 - Tax Cost Recoveries	2,875	100	100	-
404220 - Miscellaneous Permits	51,070	40,000	40,000	-
406600 - Late Fees	15,411	10,000	10,000	-
406625 - Reimbursed Cost-NonGrant Funded	373,686	399,700	399,700	-
408060 - Other Collection Revenues	15,672	-	-	-
408550 - Cash Over & Short	2,341	-	-	-
408580 - Miscellaneous Revenues	968	-	-	-
Program Generated Revenue Total	462,022	449,800	449,800	-
Net Cost				
Direct Cost Total	3,162,406	3,493,918	3,288,147	(5.89%)
Charges by/to Other Departments Total	(493,609)	(472,508)	(592,896)	25.48%
Program Generated Revenue Total	(462,022)	(449,800)	(449,800)	-
Net Cost Total	2,206,775	2,571,610	2,245,451	(12.68%)

Position Detail as Budgeted

	2015 Revised		2016 Revised		2017 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk II	1	-	1	-	1	-
Accounting Clerk III	6	-	6	-	6	-
Administrative Officer	2	-	2	-	2	-
Collector	4	1	4	-	4	-
Junior Admin Officer	1	-	1	-	1	-
Municipal Treasurer	1	-	1	-	1	-
Principal Admin Officer	1	-	1	-	1	-
Remittance Processing Operator	2	-	2	-	2	-
SAP NEW 09	1	-	-	-	-	-
Senior Admin Officer	3	-	3	-	3	-
Senior Staff Accountant	-	1	-	1	-	1

2017 Approved General Government Operating Budget

Position Detail as Budgeted

	2015 Revised		2016 Revised		2017 Approved	
	<u>Full Time</u>	<u>Part Time</u>	<u>Full Time</u>	<u>Part Time</u>	<u>Full Time</u>	<u>Part Time</u>
Tax Enforcement Assistant	3	-	3	-	3	-
Tax Enforcement Officer	2	-	2	-	2	-
Tax Enforcement Officer II	-	-	1	-	1	-
Position Detail as Budgeted Total	27	2	27	1	27	1

Anchorage: Performance. Value. Results

**Controller Division
Finance Department**

Anchorage: Performance. Value. Results.

Mission

Provide timely and accurate financial information while ensuring compliance with debt covenants, Municipal Ordinances and grant reporting requirements.

Core Services

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

Accomplishment Goals

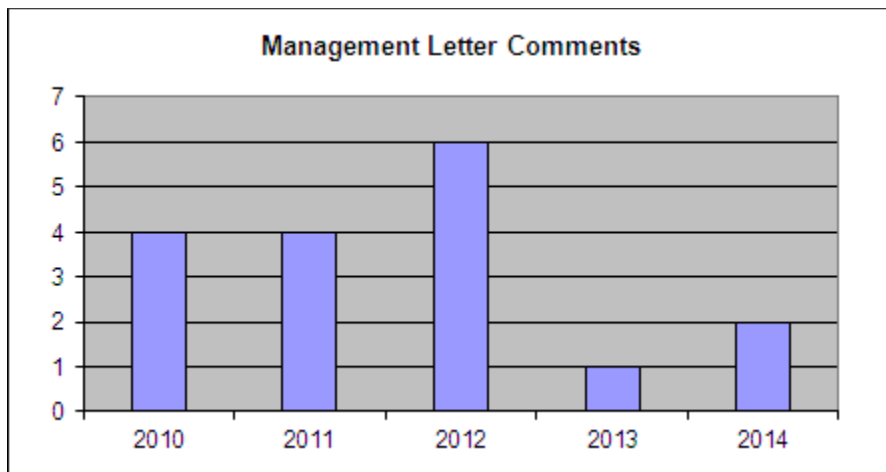
- Report fairly, without material misstatement, the financial results of the Municipality of Anchorage on an annual basis.
- Maintain a system of internal controls such that transactions are accurately recorded on a timely basis to reduce the risk of fraud and error.
- Record transactions accurately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

Performance Measures

Progress in achieving goals shall be measured by:

Measure #1: Reduce number of external audit comments. – 2015 not yet concluded

For Audit Yr:	2010	2011	2012	2013	2014
# Management Letter Points in Annual Audit Management Letter	4	4	6	1	2

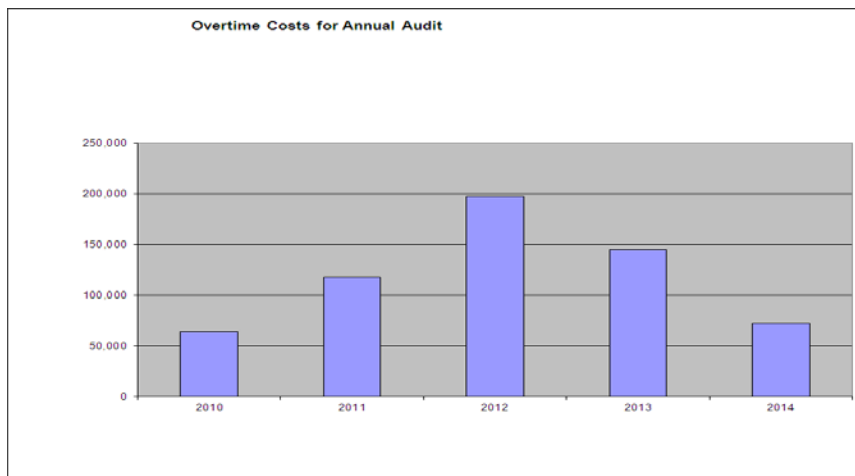


Measure #2: Ensure audit comments from internal and external auditors are addressed within 90 days of receipt of comment.

2015 – audit not yet concluded

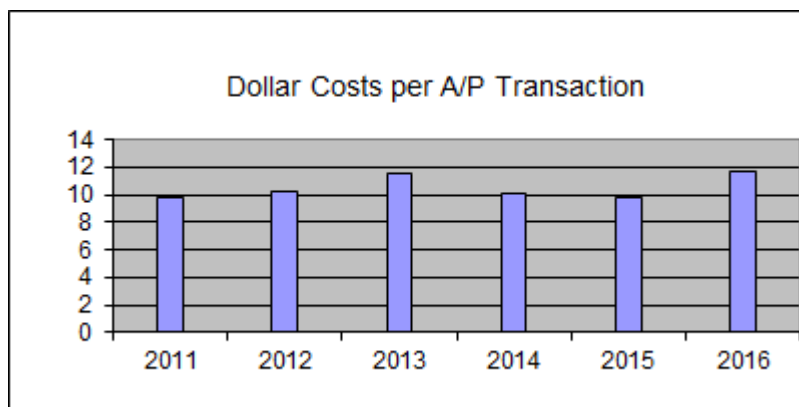
Measure #3: Reduce overtime costs associated with annual audit.

For Audit Yr:	2010	2011	2012	2013	2014
Overtime Cost:	\$64,062	\$117,723	\$196,892	\$144,877	\$72,165



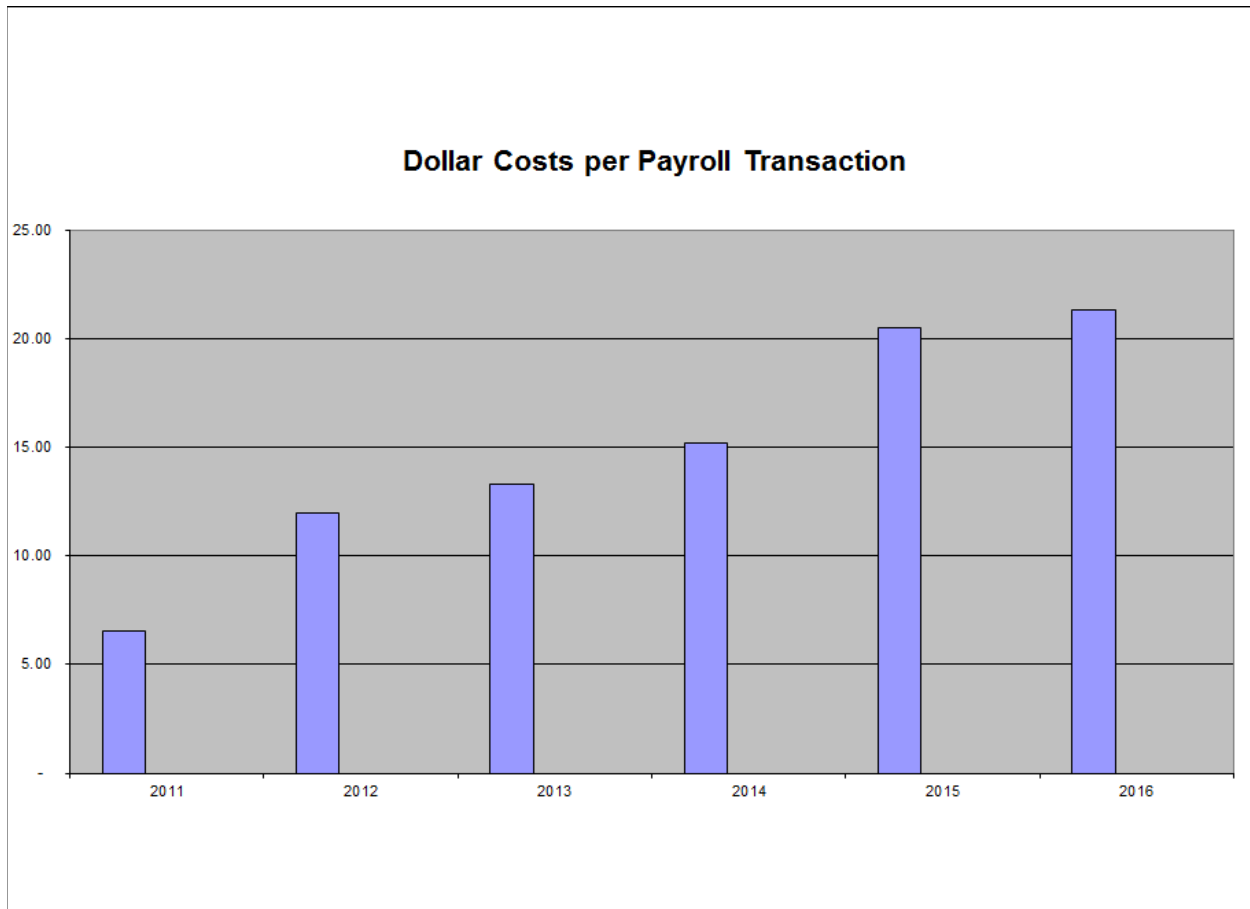
Measure #4: Cost to produce vendor checks.

Accounts Payable Division	2011	2012	2013	2014	2015	2016 YTD
\$ cost per transaction	\$9.81	\$10.31	\$11.58	\$10.04	\$9.77	\$11.77
# invoices processed for departments	32,976	33,734	32,737	33,001	33,297	15,570



Measure #5: Cost to produce payroll checks.

Payroll Division	2011	2012	2013	2014	2015	2016 YTD
Cost per payroll payment (annual, automated,	\$6.57	\$12.01	\$13.31	\$15.19	\$20.51	\$21.34
Number payrolls not met	0	0	0	0	0	0
Number payroll payments / year	73,824	75,074	71,085	77,575	79,407	36,650



Central Payroll Service Center
Finance Department

Anchorage: Performance. Value. Results.

Mission

- Process accurate and timely payments to all employees of the Municipality of Anchorage (MOA).
- Process all statutory deductions and verify all corresponding procedures are followed per requirements.
- Maintain records and reports required by the Municipality, State, and Federal governmental agencies pertaining to personnel paid through the Central Payroll system.

Our goal is to represent the MOA in a positive and professional manner through accountability, efficiency and sound business practices.

Core Services

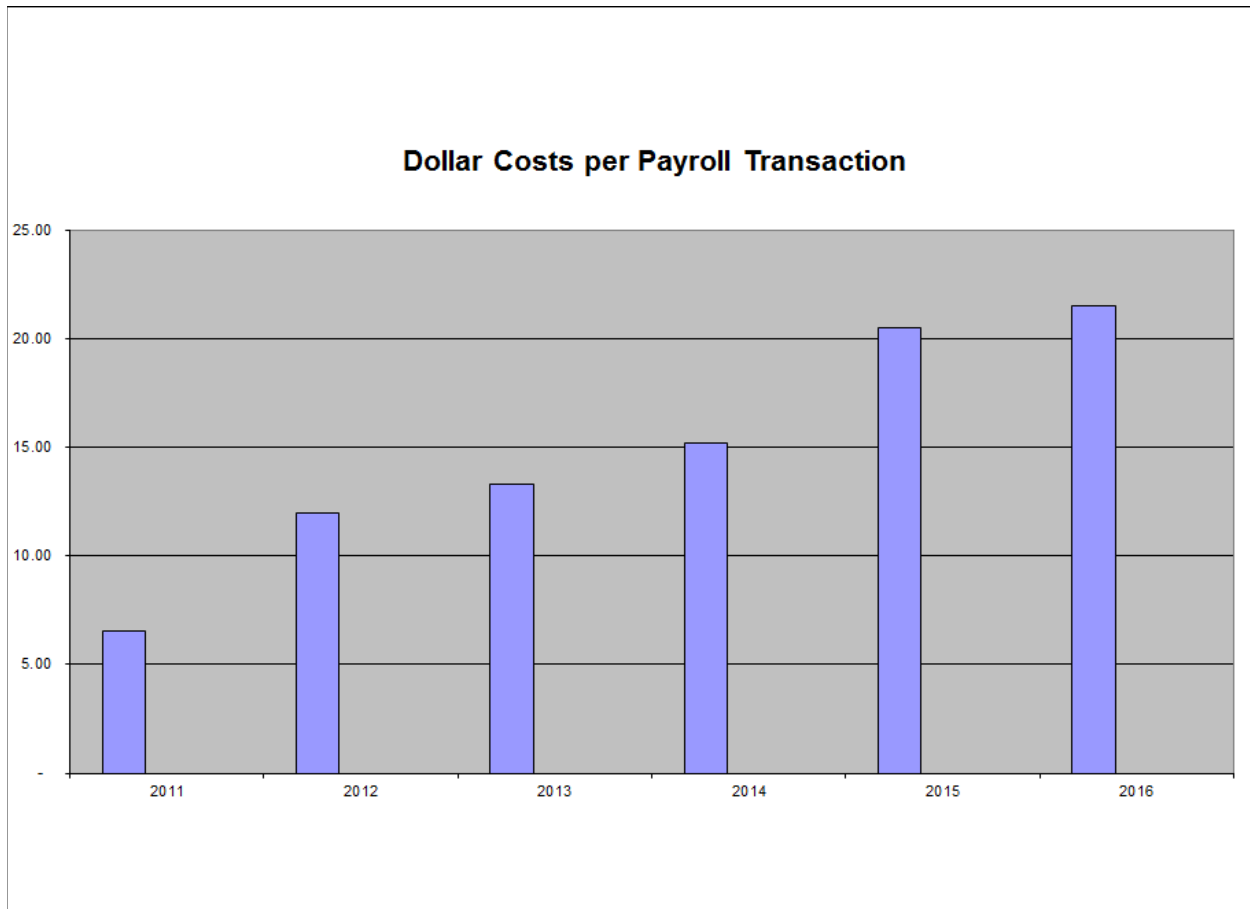
- Central Payroll Services is responsible for all bi-weekly payroll processing, serving over 2,800 of the Municipal employees. Central Payroll is responsible for all periodic payroll taxes and year end W-2's. All payroll related liability accounts are reconciled with in Central Payroll, the processing of W-2's for all MOA employees at the end of each calendar year, as well as any audits that are requested by the external auditing company and the internal Collective Bargaining units. Central Payroll Services assist all MOA employees with all of their questions on their pay through the Central Payroll Services Help Desk phone line or the !FI Central Payroll Services@muni.org email address.
- Central Payroll Timekeeping is responsible for all modifications and maintenance to MOA's time keeping system. Central Payroll Timekeeping staff assist the Municipality's employees with any questions they may have to ensure proper time collection is adhered to per the departmental, organizational, bargaining unit, Municipal Code, and State and Federal laws. Support is maintained through the Timekeeping Help Desk phone line or the !FI Central Payroll Timekeeping@muni.org email address.

Accomplishment Goals

- Report fairly, without material misstatement of the Municipality of Anchorage on an annual basis.
- Maintain a system of internal controls such that reported time is accurately recorded to reduce the risk of fraud and error.
- Record payroll accurately and timely.
- Pay employees accurately and timely.

Measure #1: Cost to produce payroll checks.

Payroll Division	2011	2012	2013	2014	2015	2016 YTD
Cost per payroll payment (annual, automated,	\$6.57	\$12.01	\$13.31	\$15.19	\$20.51	\$21.52
Number payrolls not met	0	0	0	0	0	0
Number payroll payments / year	73,824	75,074	71,085	77,575	79,407	57,037



Property Appraisal Division
Finance Department

Anchorage: Performance Value Results

Mission

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

Core Services

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

Accomplishment Goals

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

Performance Measures

Progress in achieving goals shall be measured by:

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

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

2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual
95.4%	94.1%	94.1%	94%	95.2%	95%	96%	96%	96%	96%

Measure #2: Number of properties inspected per year

Year	Percentage of total required inspections completed by December 31st of year
2007	54% of target
2008	62% of target
2009	102% of target
2010	118% of target
2011	116% of target
2012	108% of target
2013	101% of target
2014	100% of target
2015	108% of target
2016	33% of target (primary work done in Q2 and Q3)

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

Year	Appeals Filed	Appeals Completed by June 1st	Percentage Complete
2008	825	821	99.51%
2009	1,058	1,040	98.00%
2010	716	710	99.16%
2011	627	625	99.68%
2012	551	551	100%
2013	416	416	100%
2014	393	391	99.49%
2015	417	416	99.76%
2016	419	419	100%

Public Finance & Investments Division Finance Department

Anchorage: Performance. Value. Results.

Purpose

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

Direct Services

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

Manage investment portfolios of the MOA with the objectives of:

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

Provide investment performance reporting for all investment portfolios.

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

Accomplishment Goals

- Maintain a rating of at least “AA” for the MOA’s general obligation bonds.
- Refund any outstanding debt that provides a minimum net present value savings and provide the most cost effective source of financing for all departments of the MOA.
- Invest only in securities that comply with AMC at the time of investment.
- Provide an aggregate investment return, net of fees, that outperforms the benchmark for the MOA’s aggregate portfolio.

Performance Measures

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

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

Year	S&P	Fitch
2008	AA Stable	AA Stable
2009	AA Stable	AA Stable
2010	AA Stable	AA+ Stable
2011	AA Stable	AA+ Stable
2012	AA+ Stable	AA+ Stable
2013	AAA Stable	AA+ Stable
2014	AAA Stable	AA+ Stable
2015 November	AAA Negative	AA+ Stable
June 2016	AAA Negative	AA+ Stable

Measure #2: Dollar amount of net present value savings achieved by refunding outstanding debt and cost effective, innovative and creative sources of financing.

REFUNDING

<u>Year</u>	<u>Description of Refunding</u>	<u>Par Amount</u>	<u>Nominal Savings</u>	<u>NPV Savings</u>
2008	No Refunding			
2009	AWWU-Water	\$49,680,000	\$14,953,362	\$5,848,119
2010	GO-GP (refunding) C-1	\$11,715,000	\$1,036,948	\$1,133,804
	GO-GP (restructuring) C-2	\$11,735,000	-\$2,225,256	-\$579,537
		\$23,450,000	-\$1,188,308	\$554,267
2011	GO-School C	\$28,310,000	\$1,947,120	\$1,833,004
2012	GO-GP (refunding) B	\$30,215,000	\$1,934,725	\$2,526,664
	GO-Schools (refunding) D	\$24,080,000	\$1,504,758	\$1,502,047
		\$54,295,000	\$3,439,483	\$4,028,711
2013	No Refunding			
2014	GO-GP (refunding) B	\$89,590,000	\$11,375,985	\$10,445,889
	GO-Schools (refunding) D	\$39,920,000	\$ 4,247,874	\$ 3,628,808
	MLP A	\$12,285,000	\$ 1,720,900	\$ 1,444,736
		\$141,795,000	\$17,344,759	\$15,519,433
2015	CIVICVentures (refunding)	\$93,790,000	\$17,203,908	\$9,099,922
	GO-GP (refunding) B	\$115,250,000	\$13,142,354	\$12,666,635
	GO-Schools (refunding) D	\$81,040,000	\$10,155,940	\$9,196,297
2016	No Refunding			

FINANCING

<u>Financing Program</u>	<u>Savings</u>
Master Lease Program 2008 – 2016	\$700,000
Port Commercial Paper Program 2008 - 2013	\$7,200,000
ML&P Commercial Paper Program 2012 - 2015	\$27,400,000
ML&P Direct Loan Agreement 2016	\$5,100,000
Port Direct Loan Agreement 2013-2016	\$4,500,000
ASU Direct Loan Agreement 2013-2016	\$6,700,000
AWU Direct Loan Agreement 2013-2016	\$8,500,000
Tax Anticipation Note Issuances 2006 - 2016 *	\$11,000,000
2008 - 2016 Savings Achieved	<u>\$71,100,000</u>

* Net profit achieved by keeping long-term funds invested in the Municipal Cash Pool.

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

Month	In full compliance?	Notes
12/2013	Yes	In full compliance for the entire year
01/2014	Yes	
02/2014	Yes	
03/2014	Yes	
04/2014	Yes	
05/2014	No ¹	A large inflow of cash (tax payments) was received late in the day and left in the Keybank repurchase agreement investment overnight, causing the relative percentage of government securities in the internally managed portfolio to dip below 50%. This issue was corrected on the following business day.
06/2014	Yes	A large inflow of cash (ML&P commercial paper proceeds) was received late in the day and left in the Keybank repurchase agreement investment overnight, causing the relative percentage of government securities in the internally managed portfolio to dip below 50%. This issue was corrected on the following business day.
07/2014	Yes	
08/2014	No ¹	
09/2014	Yes	Concentration of investments in one single issuer exceeded the limits established in P&P 24-11 by 1.47%. This was corrected in December.
10/2014	Yes	
11/2014	No ¹	
12/2014	Yes	On July 31, a large payment was transferred to the internal portfolio for August debt service. This large transfer, which was placed in a money market account over the weekend, caused a temporary shortfall in the portfolio's US government and agency holdings, which slipped below the 50% minimum (as required by Policy and Procedure 24-11) to 48.6%. This outage was corrected when the debt service was paid on August 3.
01/2015	Yes	
02/2015	Yes	
03/2015	Yes	
04/2015	Yes	
05/2015	Yes	
06/2015	Yes	
07/2015	No ¹	
08/2015	No ¹	
09/2015	No ¹	
10/2015	Yes	On September 30, the portfolio's US government and agency holdings slipped below the 50% minimum (as required by Policy and Procedure 24-11) to 39.9%. This outage was corrected when the debt service was paid on October 1 and when non-government money market funds were invested in agency notes on October 2.
11/2015	Yes	
12/2015	Yes	
1/2016	Yes	
2/2016	Yes	
3/2016	Yes	
4/2016	Yes	
5/2016	Pending	
6/2016	Pending	

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

Since Inception ² Return (%)			
Yearly Averages	Portfolio	Benchmark	Excess Return over Benchmark
2012	2.71	2.55	0.16
2013	2.35	2.19	0.16
2014	2.12	1.96	0.16
Month	Portfolio	Benchmark	Excess Return over Benchmark
01/2015	2.08	1.94	0.14
02/2015	2.03	1.89	0.14
03/2015	2.04	1.89	0.15
04/2015	2.01	1.87	0.14
05/2015	2.00	1.86	0.14
06/2015	1.95	1.82	0.13
07/2015	1.95	1.81	0.14
08/2015	1.92	1.79	0.13
09/2015	1.93	1.80	0.13
10/2015	1.91	1.77	0.14
11/2015	1.88	1.74	0.14
12/2015	1.84	1.71	0.13
1/2016	1.88	1.75	.13
2/2016	1.88	1.75	.13
3/2016	1.90	1.77	.13
4/2016	1.90	1.76	.14
5/2016	Pending	Pending	Pending
6/2016	Pending	Pending	Pending

Notes

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

Treasury Division
Finance Department

Anchorage: Performance. Value. Results.

Purpose

Maximize realization of the Municipality's primary revenue sources.

Direct Services

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

Accomplishment Goals

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

Performance Measures

Progress in achieving goals shall be measured by:

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

Treasury - Direct Revenues Collected vs. Cost (updated as of Jan 22, 2016)

Efficiency Measure (budgeted cost): Since 2010, Treasury's overall budget has cumulatively decreased <\$14K> or <0.4%>
--

Effectiveness Measure (budgeted revenue): Since 2010 Treasury has directly collected an additional \$44M of cumulative revenue or +8.1%

Treasury Function/Group	millions of dollars		Calculated multiple (revenue-to-cost ratio)
	2015 Revenues Budgeted	2015 Budgeted Direct Costs	
Prop. tax revenues *	\$512.28	\$0.91	563X
Program tax revenues	\$61.54	\$0.74	83X
Delinq. crim./civil fines & fees	\$5.33	\$0.59	9X
MOA Trust Fund contribution	\$5.20	\$0.89	6X
Total	\$584.35	\$3.13	187X

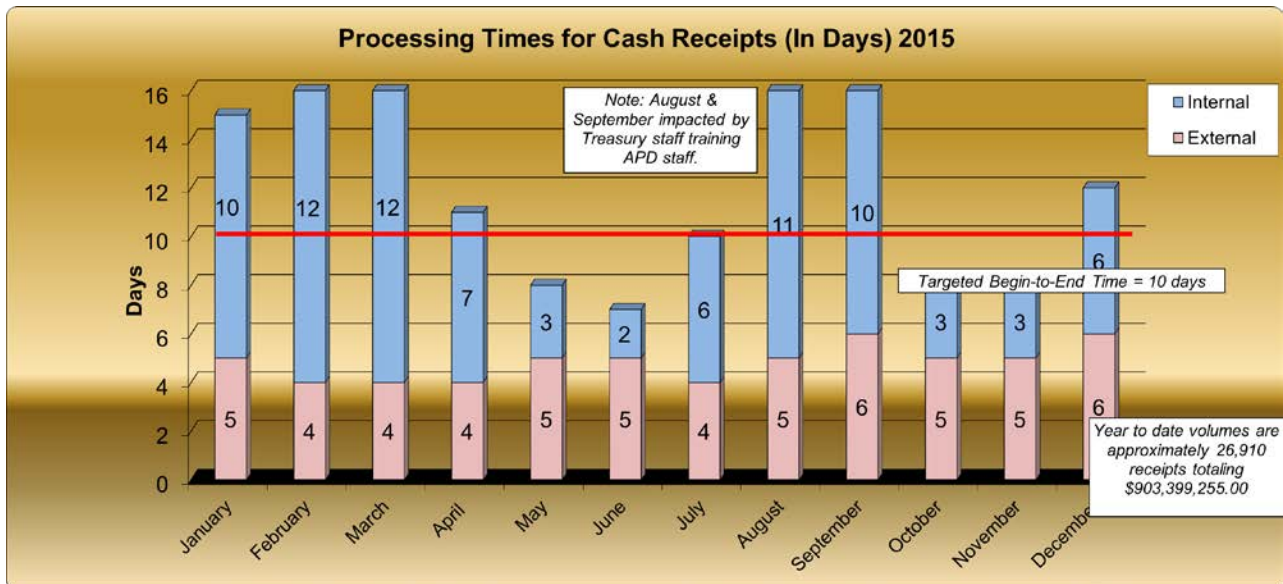
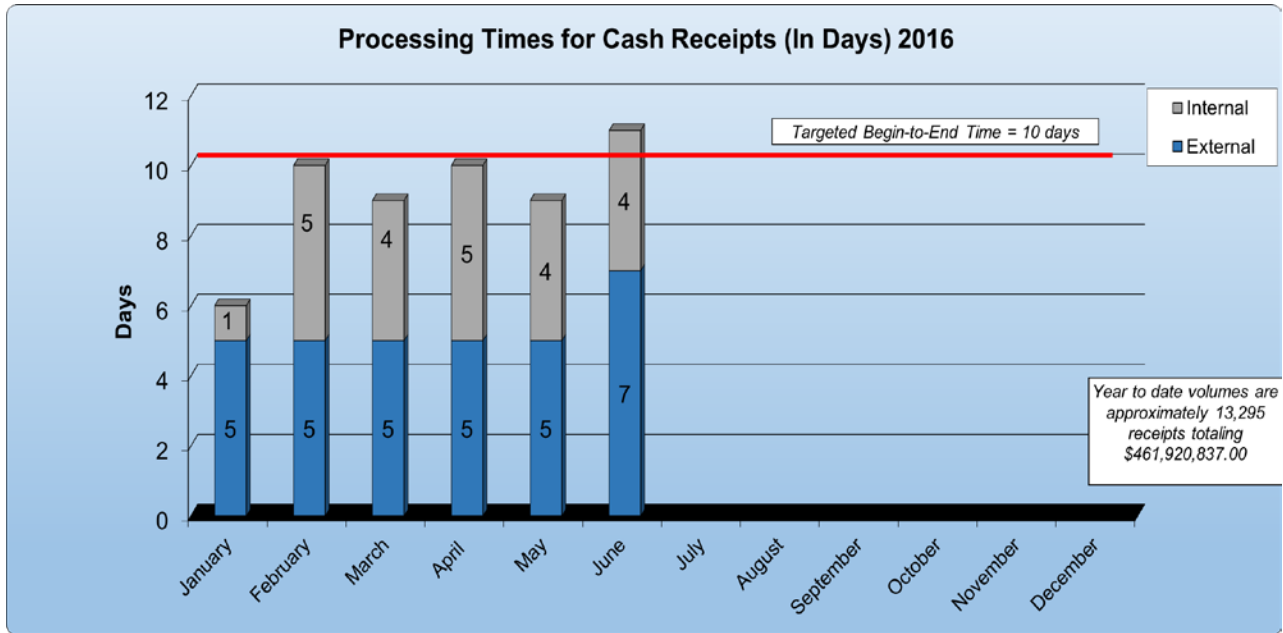
* Revenues include PILT, penalty & interest, foreclosure cost recovery and aircraft registration fees; Costs include a one-third allocation of remittance processing direct costs as well as delinquent personal property collections.

NOTE: In addition to the data in the above table, Treasury's budget further invests \$0.91M to provide indirect support of over \$664M of general government 100 fund operating revenues by performing high volume cash receipt audit/input, remittance processing for municipal utilities, management of departmental (and municipal utility) misc. accounts receivable and city-wide revenue analysis and reporting performed on a continual basis.

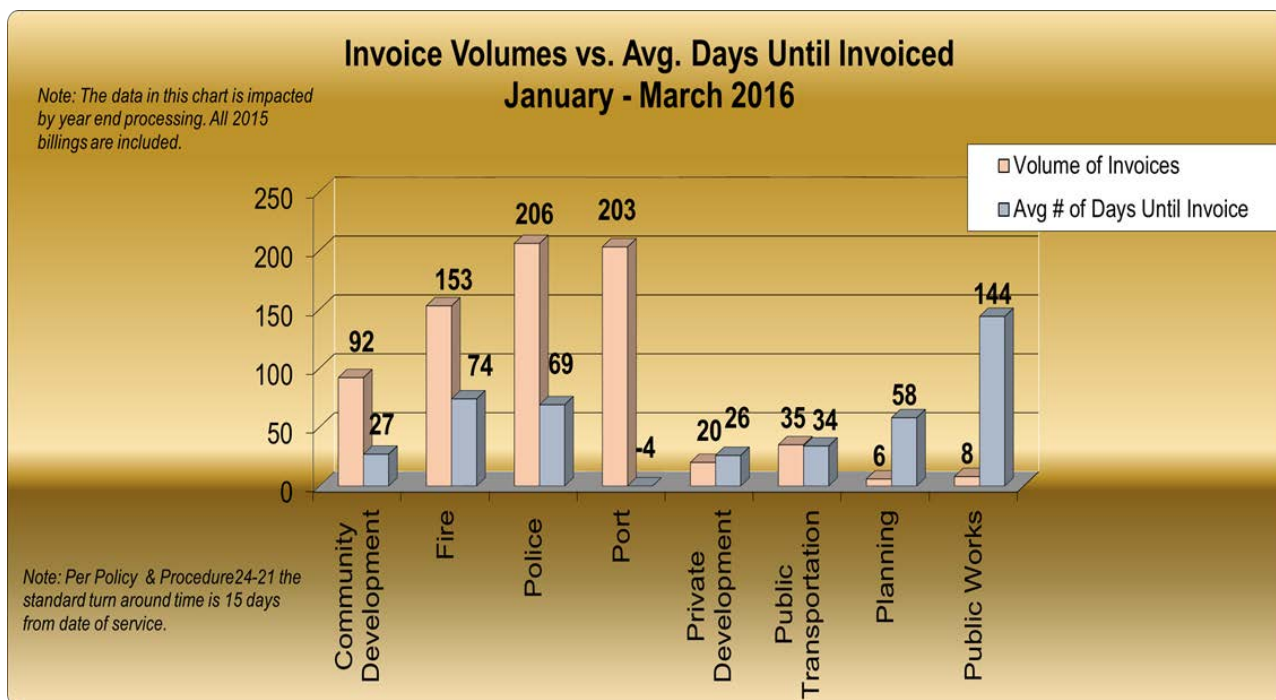
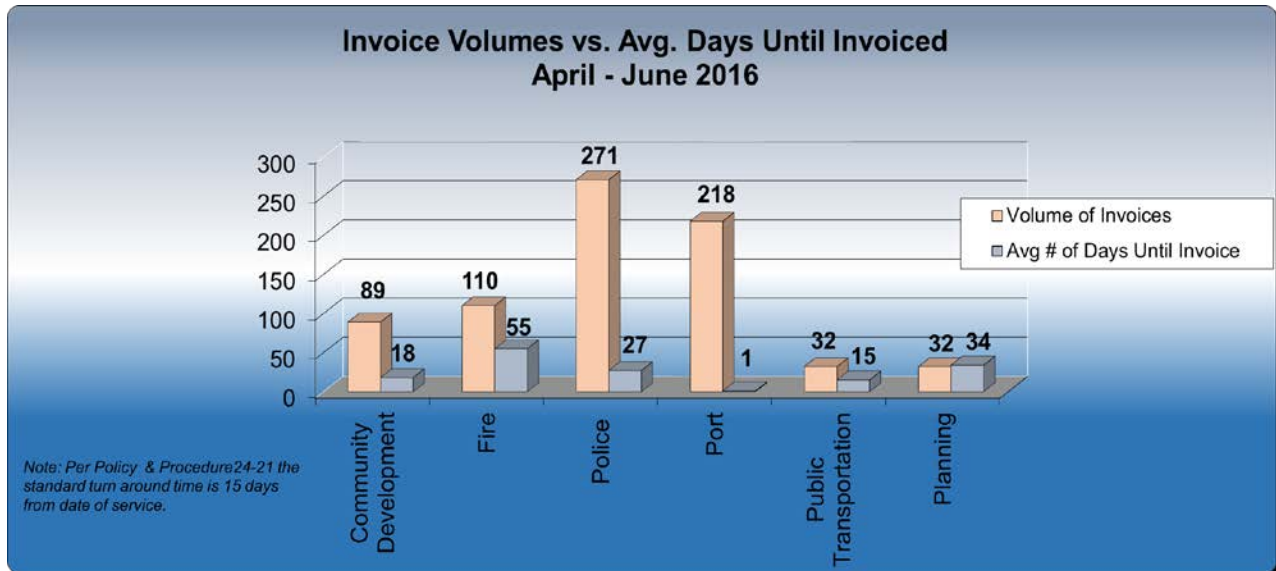
Measure #2: Tax website and e-commerce made available to public, local businesses and third party servicers (e.g., property taxpayers, mortgage/title companies, lodging industry, etc.)

Treasury Tax Performance Statistics							
Measurement	2010	2011	2012	2013	2014	2015	Comments
Tax web site and e-commerce							
# of in-coming calls	6,335	6,219	6,046	6,975	6,403	6,505	Year-to-date, as of 12/31/15
Average wait time	35	45	42	46	52	48	Reported in seconds
# of web site hits	1,281,671	1,316,840	1,575,593	1,411,469	1,387,256	1,396,188	Includes Property Taxes and CAMA
# of Credit card payment	2,242	2,301	2,534	2,872	3,060	3,171	
# of e-check payments	1,423	1,477	1,594	1,668	1,960	2,015	
Total # of e-payments	3,665	3,778	4,128	4,540	5,020	5,186	
The full value of these statistics require presenting a complete annual cycle. Annual data will be compiled and reported no later than the end of the 1st quarter following each calendar year.							
							Cumulative % change in # of web hits since 2010
							9%
							Cumulative % change in volume of e-commerce payments since 2010
							42%
							Tax Billing Dept ID 1346 direct cost budget-2015
							654,573
							Tax Billing Dept ID 1346 direct cost budget-2010
							605,681
							Dollar Change
							48,892
							Percentage Change
							8.1%

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



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



PVR Measure WC: Managing Workers' Compensation Claims

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

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

