

Appendix N

Chugiak, Birchwood, Eagle River Rural Road Service Area (Fund 119000)

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 2017 Proposed budget. It includes \$320,477 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 2017 taxes to be collected will be based on the 2017 Revised budget that will be presented to the Assembly for approval in April.

The mill rate is calculated based on the taxes to be collected, 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 2017 mill rate, based on the 2017 Proposed budget and the preliminary service area assessed value at 08/18/2016, is calculated as follows:

$$\frac{\$ 6,772,292}{\$ 3,696,225,425} \times 1,000 = 1.83$$

Fund 119000 Summary
Chugiak, Birchwood, Eagle River Rural Road Service Area
(Fund Center # 744900, 747300, 189180 (9287))

	2015 Actuals	2016 Revised	2017 Proposed	17 v 16 % Chg
Direct Cost				
Operations of CBERRRSA (744900) - Department: Public Work	3,168,857	3,435,695	3,410,657	-0.73%
ER Contribution to CIP (747300) - Department: Public Works Ac	3,316,948	3,562,573	3,562,573	-
Direct Cost Total	6,485,805	6,998,268	6,973,230	-0.36%
Intragovernmental Charges				
Charges from/to Other Departments	101,154	116,469	146,139	25.47%
Function Cost Total	6,586,959	7,114,737	7,119,369	0.07%
Program Generated Revenue	(324,351)	(335,953)	(347,077)	3.31%
Net Cost Total	6,262,608	6,778,784	6,772,292	-0.10%

Direct Cost by Category				
Salaries and Benefits	504,387	542,771	526,438	-3.01%
Supplies	31,980	169,940	167,287	-1.56%
Travel	-	-	-	-
Contractual/Other Services	5,947,972	6,279,557	6,273,505	-0.10%
Debt Service	-	-	-	-
Equipment, Furnishings	1,466	6,000	6,000	-
Direct Cost Total	6,485,805	6,998,268	6,973,230	-0.36%

Position Summary as Budgeted

Full-Time	4	4	4	-
Part-Time	-	-	-	-
Position Total	4	4	4	-

Operations of Chugiak, Birchwood, Eagle River RRSA
Department: Public Works Administration
Division: Other Service Areas
(Fund Center # 744900)

	2015 Actuals	2016 Revised	2017 Proposed	17 v 16 % Chg
Direct Cost				
Salaries and Benefits	504,387	542,771	526,438	-3.01%
Supplies	31,980	169,940	167,287	-1.56%
Travel	-	-	-	-
Contractual/Other Services	2,631,024	2,716,984	2,710,932	-0.22%
Equipment, Furnishings	1,466	6,000	6,000	-
Manageable Direct Cost Total	3,168,857	3,435,695	3,410,657	-0.73%
 Debt Service	-	-	-	-
 Direct Cost Total	3,168,857	3,435,695	3,410,657	-0.73%
 Intragovernmental Charges				
Charges from/to Other Departments	101,154	116,469	146,139	25.47%
 Program Generated Revenue				
406625 - Reimbursed Cost-NonGrant Funded	(9,346)	(25,000)	(25,000)	-
408580 - Miscellaneous Revenues	-	(1,600)	(1,600)	-
9494 - Copier Fees	(62)	-	-	-
Program Generated Revenue Total	(9,408)	(26,600)	(26,600)	-
 Net Cost				
Manageable Direct Cost	3,168,857	3,435,695	3,410,657	-0.73%
Debt Service	-	-	-	-
Charges from/to Other Departments	101,154	116,469	146,139	25.47%
Charges to Other Departments	-	-	-	-
Program Generated Revenue Total	(9,408)	(26,600)	(26,600)	-
Net Cost Total	3,260,603	3,525,564	3,530,196	0.13%

Eagle River Contribution to CIP
Department: Public Works Administration
Division: Other Service Areas
(Fund Center # 747300)

	2015 Actuals	2016 Revised	2017 Proposed	17 v 16 % Chg
Direct Cost				
Travel	-	-	-	-
Contractual/Other Services	3,316,948	3,562,573	3,562,573	-
Manageable Direct Cost Total	3,316,948	3,562,573	3,562,573	-
 Debt Service	-	-	-	-
 Direct Cost Total	3,316,948	3,562,573	3,562,573	-
 Net Cost				
Manageable Direct Cost	3,316,948	3,562,573	3,562,573	-
Debt Service	-	-	-	-
Net Cost Total	3,316,948	3,562,573	3,562,573	-