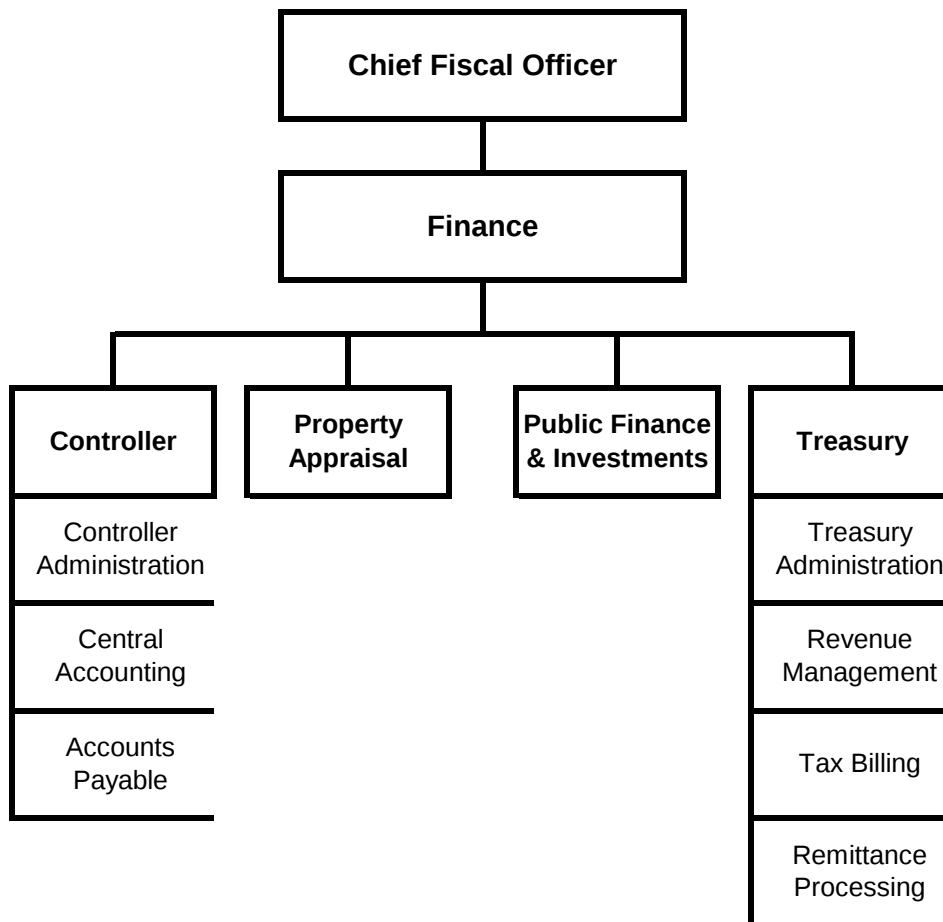


Finance



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).
- Property Appraisal Division provides fair and equitable valuation of all taxable real and personal property within the Municipality of Anchorage. The Division also administers all property tax exemptions and provides administrative support for the Board of Equalization.
- Public Finance and Investments 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

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 vendors accurately and timely.

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.



Economy – Build a city that attracts and retains a talented workforce, is hospitable to entrepreneurs, small business and established 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

	2018 Actuals	2019 Revised	2020 Approved	20 v 19 % Chg
Direct Cost by Division				
FIN Controller	3,334,279	2,698,378	2,741,804	1.61%
FIN Property Appraisal	4,397,246	4,400,447	5,202,642	18.23%
FIN Public Finance & Investment	2,097,945	1,903,257	1,883,923	(1.02%)
FIN Treasury	3,282,919	3,304,153	3,441,969	4.17%
Direct Cost Total	13,112,388	12,306,235	13,270,338	7.83%
Intragovernmental Charges				
Charges by/to Other Departments	(2,120,644)	(743,159)	(1,121,075)	50.85%
Function Cost Total	10,991,744	11,563,076	12,149,263	5.07%
Program Generated Revenue	(2,408,593)	(3,220,231)	(2,932,440)	(8.94%)
Net Cost Total	8,583,152	8,342,845	9,216,823	10.48%

Direct Cost by Category				
Salaries and Benefits	11,600,343	10,962,091	11,377,577	3.79%
Supplies	60,719	60,542	60,042	(0.83%)
Travel	18,106	43,680	43,680	-
Contractual/Other Services	1,416,499	1,218,122	1,464,067	20.19%
Debt Service	-	-	303,172	100.00%
Equipment, Furnishings	16,720	21,800	21,800	-
Direct Cost Total	13,112,388	12,306,235	13,270,338	7.83%

Position Summary as Budgeted

Full-Time	90	90	93	3.33%
Part-Time	1	1	1	-
Position Total	91	91	94	3.30%

2018 Positions: end-of-year is 105: 2 FT positions being eliminated in June 30, 2018 due to SAP go-live.

In 2019, the Payroll Division 13 positions moved from Finance to Employee Relations.

Finance

Reconciliation from 2019 Revised Budget to 2020 Approved Budget

	Direct Costs	Positions		
		FT	PT	Seas/T
2019 Revised Budget	12,306,235	90	1	-
Changes in Existing Programs/Funding for 2020				
- Salaries and benefits adjustments	141,046	-	-	-
- Fleet adjustment in line with projected fleet operations and vehicle purchases	13,685	-	-	-
2020 Continuation Level	12,460,966	90	1	-
2020 Proposed Budget Changes				
- <u>Property Appraisal</u> - Computer Assisted Mass Appraisal (CAMA) system debt service and maintenance	534,932	-	-	-
- <u>Property Appraisal</u> - Exemption Review - 1 Supervisor and 2 Clerk positions to review property tax exemptions and to provide increased equity for all property owners in the Municipality. Recovery may be about \$1M outside the charter limit.	274,440	3	-	-
2020 Approved Budget	13,270,338	93	1	-

Finance
Division Summary
FIN Controller

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

	2018 Actuals	2019 Revised	2020 Approved	20 v 19 % Chg
Direct Cost by Category				
Salaries and Benefits	3,256,269	2,648,576	2,692,002	1.64%
Supplies	6,843	11,102	11,102	-
Travel	7,522	-	-	-
Contractual/Other Services	63,644	26,700	26,700	-
Equipment, Furnishings	-	12,000	12,000	-
Manageable Direct Cost Total	3,334,279	2,698,378	2,741,804	1.61%
Debt Service	-	-	-	-
Depreciation/Amortization	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	3,334,279	2,698,378	2,741,804	-
Intragovernmental Charges				
Charges by/to Other Departments	(2,986,707)	(2,419,129)	(2,451,897)	1.35%
Function Cost Total	347,572	279,249	289,907	3.82%
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	7,485	-	7,000	100.00%
Program Generated Revenue Total	7,485	-	7,000	100.00%
Net Cost Total	340,087	279,249	282,907	1.31%
Position Summary as Budgeted				
Full-Time	21	21	21	-
Position Total	21	21	21	-

Finance Division Detail

FIN Controller

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

	2018 Actuals	2019 Revised	2020 Approved	20 v 19 % Chg
Direct Cost by Category				
Salaries and Benefits	3,256,269	2,648,576	2,692,002	1.64%
Supplies	6,843	11,102	11,102	-
Travel	7,522	-	-	-
Contractual/Other Services	63,644	26,700	26,700	-
Equipment, Furnishings	-	12,000	12,000	-
Manageable Direct Cost Total	3,334,279	2,698,378	2,741,804	1.61%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	3,334,279	2,698,378	2,741,804	1.61%
Intragovernmental Charges				
Charges by/to Other Departments	(2,986,707)	(2,419,129)	(2,451,897)	1.35%
Program Generated Revenue				
406625 - Reimbursed Cost-NonGrant Funded	7,485	-	7,000	100.00%
408550 - Cash Over & Short	-	-	-	-
Program Generated Revenue Total	7,485	-	7,000	100.00%
Net Cost				
Direct Cost Total	3,334,279	2,698,378	2,741,804	1.61%
Charges by/to Other Departments Total	(2,986,707)	(2,419,129)	(2,451,897)	1.35%
Program Generated Revenue Total	(7,485)	-	(7,000)	100.00%
Net Cost Total	340,087	279,249	282,907	1.31%

Position Detail as Budgeted

	2018 Revised		2019 Revised		2020 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk IV	2	-	2	-	2	-
Controller	1	-	1	-	1	-
Finance Supervisor	3	-	3	-	3	-
Principal Admin Officer	1	-	1	-	1	-
Senior Accountant	4	-	4	-	4	-
Senior Finance Officer	1	-	1	-	1	-
Senior Staff Accountant	9	-	9	-	9	-
Position Detail as Budgeted Total	21	-	21	-	21	-

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

	2018 Actuals	2019 Revised	2020 Approved	20 v 19 % Chg
Direct Cost by Category				
Salaries and Benefits	4,248,912	4,247,638	4,501,216	5.97%
Supplies	26,611	23,290	23,290	-
Travel	5,700	13,680	13,680	-
Contractual/Other Services	114,679	114,839	360,284	213.73%
Equipment, Furnishings	1,344	1,000	1,000	-
Manageable Direct Cost Total	4,397,246	4,400,447	4,899,470	11.34%
Debt Service	-	-	303,172	100.00%
Depreciation/Amortization	-	-	-	-
Non-Manageable Direct Cost Total	-	-	303,172	100.00%
Direct Cost Total	4,397,246	4,400,447	5,202,642	-
Intragovernmental Charges				
Charges by/to Other Departments	1,672,592	2,422,126	2,240,394	(7.50%)
Function Cost Total	6,069,838	6,822,573	7,443,036	9.09%
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	9,107	7,780	6,300	(19.02%)
Program Generated Revenue Total	9,107	7,780	6,300	(19.02%)
Net Cost Total	6,060,731	6,814,793	7,436,736	9.13%
Position Summary as Budgeted				
Full-Time	36	36	39	8.33%
Position Total	36	36	39	8.33%

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

	2018 Actuals	2019 Revised	2020 Approved	20 v 19 % Chg
Direct Cost by Category				
Salaries and Benefits	4,248,912	4,247,638	4,501,216	5.97%
Supplies	26,611	23,290	23,290	-
Travel	5,700	13,680	13,680	-
Contractual/Other Services	114,679	114,839	360,284	213.73%
Equipment, Furnishings	1,344	1,000	1,000	-
Manageable Direct Cost Total	4,397,246	4,400,447	4,899,470	11.34%
Debt Service	-	-	303,172	100.00%
Non-Manageable Direct Cost Total	-	-	303,172	100.00%
Direct Cost Total	4,397,246	4,400,447	5,202,642	18.23%
Intragovernmental Charges				
Charges by/to Other Departments	1,672,592	2,422,126	2,240,394	(7.50%)
Program Generated Revenue				
406130 - Appraisal Appeal Fee	5,890	5,000	5,000	-
406570 - Micro-Fiche Fees	110	2,000	100	(95.00%)
406580 - Copier Fees	120	680	100	(85.29%)
406610 - Computer Time Fees	-	100	100	-
406625 - Reimbursed Cost-NonGrant Funded	2,636	-	1,000	100.00%
406670 - Sale Of Books	102	-	-	-
407060 - Pre-Trial Diversion Cost	250	-	-	-
Program Generated Revenue Total	9,107	7,780	6,300	(19.02%)
Net Cost				
Direct Cost Total	4,397,246	4,400,447	5,202,642	18.23%
Charges by/to Other Departments Total	1,672,592	2,422,126	2,240,394	(7.50%)
Program Generated Revenue Total	(9,107)	(7,780)	(6,300)	(19.02%)
Net Cost Total	6,060,731	6,814,793	7,436,736	9.13%

Position Detail as Budgeted

	2018 Revised		2019 Revised		2020 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk III	4	-	4	-	6	-
Administrative Officer	1	-	1	-	2	-
Appraisal Analyst	10	-	10	-	10	-
Appraisal Supervisor	3	-	3	-	3	-
Appraiser	5	-	5	-	5	-
Municipal Assessor	1	-	1	-	1	-
Property Appraisal Admin	2	-	2	-	2	-
Senior Admin Officer	1	-	1	-	1	-
Senior Appraiser	9	-	9	-	9	-
Position Detail as Budgeted Total	36	-	36	-	39	-

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

	2018 Actuals	2019 Revised	2020 Approved	20 v 19 % Chg
Direct Cost by Category				
Salaries and Benefits	1,033,191	1,006,039	986,705	(1.92%)
Supplies	1,111	2,100	2,100	-
Travel	4,884	30,000	30,000	-
Contractual/Other Services	1,057,130	863,118	863,118	-
Equipment, Furnishings	1,629	2,000	2,000	-
Manageable Direct Cost Total	2,097,945	1,903,257	1,883,923	(1.02%)
Debt Service	-	-	-	-
Depreciation/Amortization	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	2,097,945	1,903,257	1,883,923	-
Intragovernmental Charges				
Charges by/to Other Departments	240,023	262,525	267,133	1.76%
Function Cost Total	2,337,968	2,165,782	2,151,056	(0.68%)
Program Generated Revenue by Fund				
Fund 164000 - Public Finance and Investment	1,888,474	2,463,018	2,426,018	(1.50%)
Program Generated Revenue Total	1,888,474	2,463,018	2,426,018	(1.50%)
Net Cost Total	449,494	(297,236)	(274,962)	(7.49%)
Position Summary as Budgeted				
Full-Time	6	6	6	-
Position Total	6	6	6	-

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

	2018 Actuals	2019 Revised	2020 Approved	20 v 19 % Chg
Direct Cost by Category				
Salaries and Benefits	1,033,191	1,006,039	986,705	(1.92%)
Supplies	1,111	2,100	2,100	-
Travel	4,884	30,000	30,000	-
Contractual/Other Services	1,057,130	863,118	863,118	-
Equipment, Furnishings	1,629	2,000	2,000	-
Manageable Direct Cost Total	2,097,945	1,903,257	1,883,923	(1.02%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	2,097,945	1,903,257	1,883,923	(1.02%)
Intragovernmental Charges				
Charges by/to Other Departments	240,023	262,525	267,133	1.76%
Program Generated Revenue				
406560 - Service Fees - School District	292,829	372,296	372,296	-
406625 - Reimbursed Cost-NonGrant Funded	489,385	500,660	500,660	-
408380 - Prior Year Expense Recovery	304	-	-	-
408580 - Miscellaneous Revenues	1,081,797	1,515,062	1,515,062	-
440010 - GCP CshPool ST-Int(MOA/ML&P)	24,158	75,000	38,000	(49.33%)
Program Generated Revenue Total	1,888,474	2,463,018	2,426,018	(1.50%)
Net Cost				
Direct Cost Total	2,097,945	1,903,257	1,883,923	(1.02%)
Charges by/to Other Departments Total	240,023	262,525	267,133	1.76%
Program Generated Revenue Total	(1,888,474)	(2,463,018)	(2,426,018)	(1.50%)
Net Cost Total	449,494	(297,236)	(274,962)	(7.49%)

Position Detail as Budgeted

	2018 Revised		2019 Revised		2020 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Principal Accountant	2	-	2	-	2	-
Public Finance Manager	2	-	2	-	2	-
Senior Accountant	1	-	1	-	1	-
Senior Finance Officer	1	-	1	-	1	-
Position Detail as Budgeted Total	6	-	6	-	6	-

Finance Division Summary

FIN Treasury

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

	2018 Actuals	2019 Revised	2020 Approved	20 v 19 % Chg
Direct Cost by Category				
Salaries and Benefits	3,061,972	3,059,838	3,197,654	4.50%
Supplies	26,154	24,050	23,550	(2.08%)
Travel	-	-	-	-
Contractual/Other Services	181,045	213,465	213,965	0.23%
Equipment, Furnishings	13,748	6,800	6,800	-
Manageable Direct Cost Total	3,282,919	3,304,153	3,441,969	4.17%
Debt Service	-	-	-	-
Depreciation/Amortization	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	3,282,919	3,304,153	3,441,969	-
Intragovernmental Charges				
Charges by/to Other Departments	(1,046,552)	(1,008,681)	(1,176,705)	16.66%
Function Cost Total	2,236,367	2,295,472	2,265,264	(1.32%)
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	503,526	749,433	493,122	(34.20%)
Program Generated Revenue Total	503,526	749,433	493,122	(34.20%)
Net Cost Total	1,732,840	1,546,039	1,772,142	14.62%
Position Summary as Budgeted				
Full-Time	27	27	27	-
Part-Time	1	1	1	-
Position Total	28	28	28	-

Finance Division Detail

FIN Treasury

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

	2018 Actuals	2019 Revised	2020 Approved	20 v 19 % Chg
Direct Cost by Category				
Salaries and Benefits	3,061,972	3,059,838	3,197,654	4.50%
Supplies	26,154	24,050	23,550	(2.08%)
Travel	-	-	-	-
Contractual/Other Services	181,045	213,465	213,965	0.23%
Equipment, Furnishings	13,748	6,800	6,800	-
Manageable Direct Cost Total	3,282,919	3,304,153	3,441,969	4.17%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	3,282,919	3,304,153	3,441,969	4.17%
Intragovernmental Charges				
Charges by/to Other Departments	(1,046,552)	(1,008,681)	(1,176,705)	16.66%
Program Generated Revenue				
401010 - Real Property Tax (Excludes ASD)	4,605	-	-	-
401030 - P & I on Delinquent Tax	295	-	222	100.00%
401040 - Tax Cost Recoveries	2,686	100	100	-
404200 - Vehicle Emission Certification	75	-	-	-
404220 - Miscellaneous Permits	67,407	40,000	60,000	50.00%
406600 - Late Fees	14,443	10,000	8,000	(20.00%)
406625 - Reimbursed Cost-NonGrant Funded	395,762	699,333	424,800	(39.26%)
408060 - Other Collection Revenues	18,192	-	-	-
408550 - Cash Over & Short	61	-	-	-
Program Generated Revenue Total	503,526	749,433	493,122	(34.20%)
Net Cost				
Direct Cost Total	3,282,919	3,304,153	3,441,969	4.17%
Charges by/to Other Departments Total	(1,046,552)	(1,008,681)	(1,176,705)	16.66%
Program Generated Revenue Total	(503,526)	(749,433)	(493,122)	(34.20%)
Net Cost Total	1,732,840	1,546,039	1,772,142	14.62%

Position Detail as Budgeted

	2018 Revised		2019 Revised		2020 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk II	1	-	1	-	1	-
Accounting Clerk III	8	-	7	-	7	-
Administrative Officer	2	-	2	-	2	-
Collections Officer II/Collection Superv	1	-	1	-	1	-
Collector	3	-	3	-	3	-
Delinquent Property Tax Collector	1	-	1	-	1	-
Junior Administrative Officer	1	-	1	-	1	-
Municipal Treasurer	1	-	1	-	1	-
Principal Admin Officer	1	-	1	-	1	-

Position Detail as Budgeted

	2018 Revised			2019 Revised			2020 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>
Senior Admin Officer	2	-		2	-		2	-
Senior Staff Accountant	-	1		-	1		-	1
SME-Section Lead	-	-		1	-		1	-
Tax Enforcement Officer I	3	-		3	-		3	-
Tax Enforcement Officer II	3	-		3	-		3	-
Position Detail as Budgeted Total	27	1		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 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 vendors accurately and timely.

Performance Measures

Progress in achieving goals shall be measured by:

Measure #1: Reduce number of external audit comments.

For Audit Year:	2013	2014	2015	2016	2017
# Management Letter Points in Annual Audit Management Letter	1	2	2	3	8

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

2017 – Audit concluded

2018 – Audit in progress, not concluded

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

For Audit Year:	2013	2014	2015	2016	2017	2018	2019
Overtime Cost:	\$144,877	\$72,165	\$77,139	\$149,533	\$130,287	\$250,570	\$67,158

Measure #4: Cost to produce vendor checks.

Accounts Payable Division	2013	2014	2015	2016	2017	2018	2019
\$ cost per transaction	\$11.58	10.04	9.77	11.72	12.01	11.36	13.06
# invoices processed for departments	32,737	33,001	33,297	32,138	30,492	26,679	11,638

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.
- **Exemption Administration** – Administer Property Tax exemption programs.
- **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%)

2011	2012	2013	2014	2015	2016	2017	2018	2019
95.2%	95%	96%	96%	96%	96%	95%	96%	96%

Measure #2: Number of properties inspected per year.

Year	Percentage of total required inspections completed by December 31 st of year
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	108% of target
2017	118% of target
2018	101% of target
2019	20% of target as of 6-30-2019 (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 1 st	Percentage Complete
2008	825	821	99.5%
2009	1,058	1,040	98.0%
2010	716	710	99.2%
2011	627	625	99.7%
2012	551	551	100%
2013	416	416	100%
2014	393	391	99.5%
2015	417	416	99.8%
2016	419	419	100%
2017	395	390	98.7%
2018	357	357	100%
2019	713	675	94.72%

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:

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

Provide investment performance reporting for the portfolios within the Municipal Cash Pool (MCP).

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 investment return, gross of fees, that outperforms the respective benchmark for each portfolio manager within the MCP.

Performance Measures

- The rating of the MOA’s general obligation by Standard & Poor’s and Fitch.
- Dollar amount of the net present value savings achieved by refunding outstanding debt with cost effective, innovative and creative sources of funding.
- Monthly compliance report for investments that measure if the investments in the portfolio are compliant with AMC and P&P 24-11.
- Quarterly portfolio performance reports that measure the actual returns, gross of fees, of the portfolios within the MCP compared to the respective benchmark returns for the MCP.

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

Year	Standard & Poor's	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	AA+ Stable	AA+ Stable
2014	AAA Stable	AA+ Stable
2015	AAA Negative	AA+ Stable
2016	AAA Stable	AA+ Stable
2017	AAA Stable	AA+ Stable
2018	AAA Stable	AA+ Stable
2019 Jun	AAA Stable	AA+ Stable

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

Year	Description of Refunding	Par Amount	Nominal Savings	NPV Savings
2009	AWWU-Water	49,680,000	149,533,362	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
	Total Savings		-1,188,308	554,267
2011	GO-Schools (refunding) 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
2013	No Refunding Activity			
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
	ML&P Refunding	12,285,000	1,720,900	1,444,736
2015	GO-GP (refunding) B	93,790,000	17,203,908	9,099,922
	GO-Schools (refunding) D	115,250,000	13,142,354	12,666,635
	CIVICVentures (refunding)	81,040,000	10,155,940	9,196,297
2016	GO-Schools (refunding) C	41,960,000	4,444,132	4,297,132
2017	AWWU-Water	86,640,000	20,729,481	16,800,362
	AWWU-Wastewater	50,650,000	13,973,361	11,324,814
2018	GO-GP (refunding) B	20,265,000	617,965	1,315,317
	GO-Schools (refunding) D	57,020,000	6,827,125	6,194,908

Financing Program	Savings
Master Lease Program 2008 – 2017	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 – 2017	5,100,000
Port Direct Loan Agreement 2016 – 2017	4,500,000
ASU Direct Loan Agreement 2013 – 2017	6,700,000
AWU Direct Loan Agreement 2013 – 2017	8,500,000
Tax Anticipation Notes Issues 2006 -2018*	11,000,000
2008 – 2018 Savings Achieved	71,100,000

* Net profit achieved by keeping long term funds invested in The Municipal Cash Pool

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

Year	In Full Compliance?	Notes
2013	Yes	Full Compliance for entire Yr.
2014	Yes with exceptions	
	May	A large inflow of tax payments was received late in the day which caused the Keybank repurchase agreement to have uninvested cash overnight on the last day of the month. This caused the overall percentage of government securities in the internally managed portfolio to dip below the 50% minimum. This was corrected the following business day.
	August	A large inflow of cash in the form of commercial paper proceeds was received late in the day which caused the Keybank repurchase agreement to have uninvested cash overnight. This caused the overall percentage of government securities in the internally managed portfolio to dip below the 50% minimum. This was corrected the following business day.
	November	A large inflow of cash in the form of commercial paper proceeds was received late in the day which caused the Keybank repurchase agreement to have uninvested cash overnight. This caused the overall percentage of government securities in the internally managed portfolio to dip below the 50% minimum. This was corrected the following business day.
2015	Yes with exceptions	
	July	On July 31, a large payment was transferred to the internal portfolio for the August 1 debt service payment due US Bank. This was in the money market and not in a US Government security which caused the required 50% Government qualified holding to slip to 48.6%. The ratios returned to over 50% the following day as the debt service payments were disbursed for August 1.
	August	On August 31, a large payment was transferred to the internal portfolio for the Sept. 1 debt service payment due US Bank. This was in the money market and not in a US Government security which caused the required 50% Government qualified holding to slip to 39.1%. The ratios returned to over 50% the following day as the debt service payments were disbursed for September 1.
	September	On September 30, the portfolios US Government and agency holdings slipped below the 50% minimum (P&P 24-11) to 39.9%. This ratio was corrected when the debt service was paid on October 1 and a portion of money market funds were invested in agency Notes on October 2.

2016	Yes with exceptions	
	August	On August 31, a large payment was transferred to the internal portfolio for the Sept. 1 debt service payment due US Bank. The combined debt service of \$44 million was held in a non-US Government qualified money market which caused the 50% Government holdings ration slip to 32.8% The ratios returned to over 50% the following day when debt service payments were disbursed for September 1.
2017	Yes	
2018	Yes	
2019 Mar	Yes	

Measure #4: Quarterly portfolio performance reports that measure the actual returns, gross of fees, of the portfolios within the MCP compared to the respective benchmark returns for the MCP.

	2018	2017	2016	2015	2014
BlackRock Portfolio	-0.04	3.63	2.96	1.32	3.15
Benchmark	0.25	3.34	3.09	1.07	3.13
Excess Return	-0.29	0.29	-0.15	0.25	0.02
PNC Portfolio	1.70	1.19	1.35	0.81	0.87
Benchmark	1.60	0.84	0.93	0.57	0.64
Excess Return	0.10	0.35	0.42	0.24	0.23
APCM Portfolio	1.85	0.90	0.49	0.23	0.21
Benchmark	1.87	0.86	0.33	0.05	0.03
Excess Return	-0.02	0.04	0.16	0.18	0.18
Total MCP	0.67	2.06	1.78	0.78	1.46

* Values are expressed as percentages

Division of Treasury Department of Finance

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: Treasury - Direct Revenues Collected vs. Cost (updated as of April 2019)

Efficiency Measure (budgeted cost): Since 2010, Treasury's direct cost budget has increased \$161K (+5.0%)

Effectiveness Measure (budgeted revenue): Since 2010 Treasury's direct annual revenue collection total has increased \$104.4M (+19.3%)
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	millions of dollars		
Treasury Function/Group	2018 Revenues Budgeted	2018 Budgeted Direct Costs	Calculated multiple (revenue-to-cost ratio)
Prop. tax revenues *	\$554.50	\$0.87	638X
Program tax revenues	\$78.64	\$0.92	86X
Delinq. crim./civil fines & fees	\$5.27	\$0.63	8X
MOA Trust Fund contribution	\$6.30	\$0.82	8X
Total	\$644.71	\$3.23	199X

* 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 \$0.94M to provide indirect support of over \$715M of general government 100 fund operating revenues associated with centralized cash receipt audit/input. Treasury further supports remittance processing for municipal utilities, management of departmental (and municipal utility) misc. accounts receivable and city-wide revenue analysis and reporting performed on recurring cycle.

Measure #2: Tax website and e-commerce made available to public, local businesses and 3rd party servicers (e.g., property taxpayers, mortgage/title cos., lodging industry, etc.)
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Treasury Tax Performance Statistics

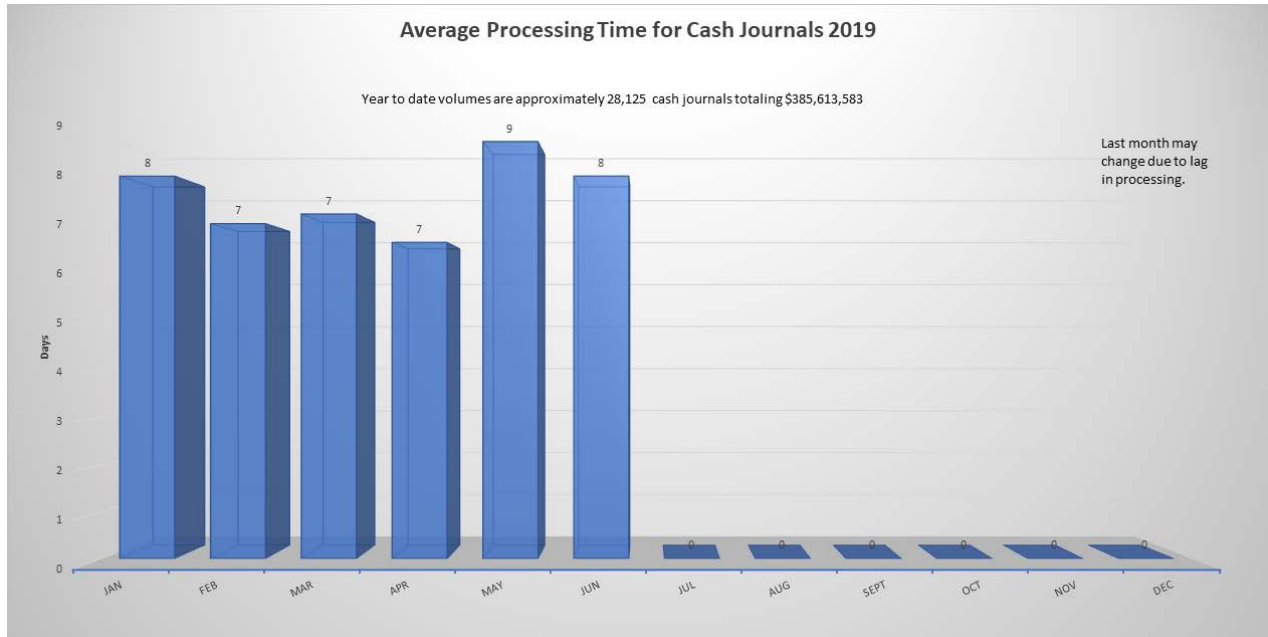
Measurement	2016	2017	2018	Comments
Tax web site and e-commerce				
# of in-coming calls	6,576	6,747	6,842	12/31 Year-end; personnel count of 4
Average wait time	59	62	72	Reported in seconds
# of website hits	1,987,455	1,579,594	1,975,411	Includes Property Taxes and CAMA
# of credit card payments (via phone/web and in-person)	3,232	3,712	4,112	
# of e-check payments	2,108	2,567	2,973	
Total # of credit card + e-check payments	5,340	6,279	7,085	

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.

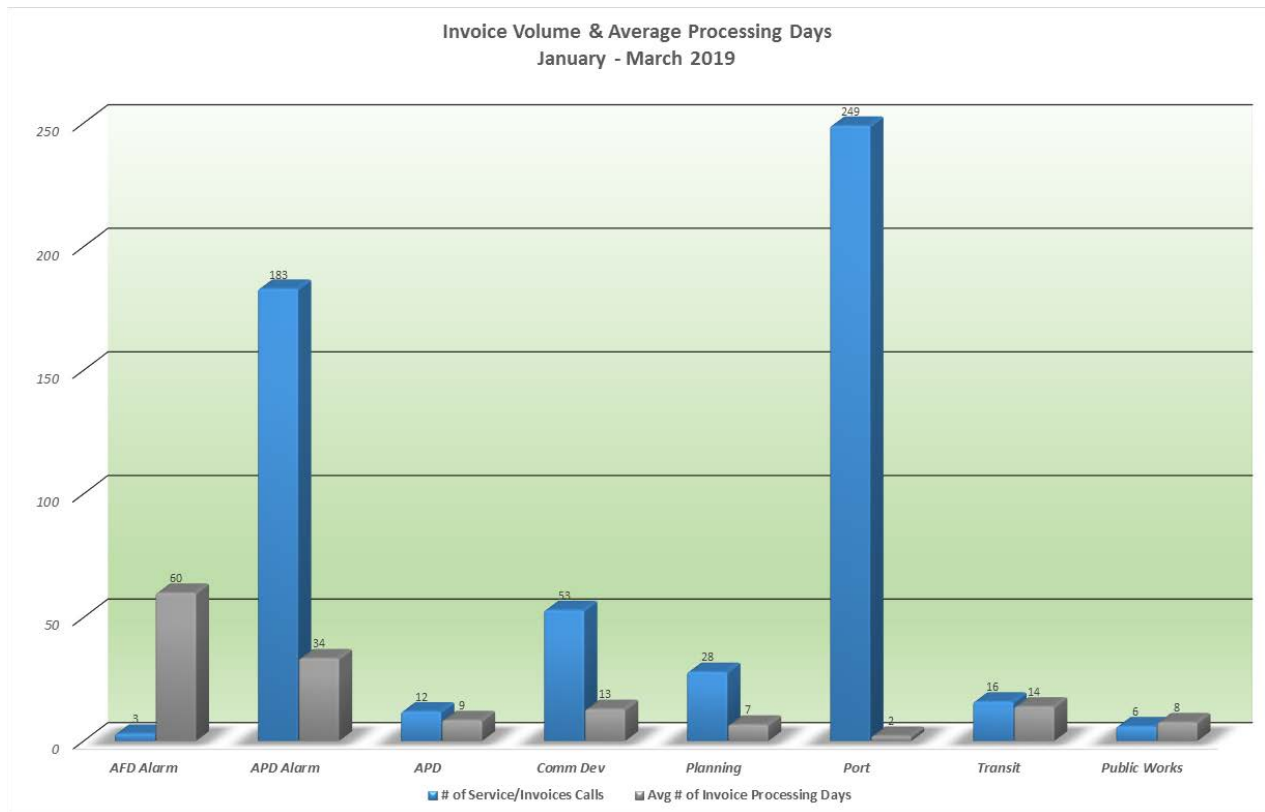
Percentage increase in # of web hits since year 2010	54%
Percentage increase in volume of e-commerce payments since year 2010	71%

Tax Billing Dept ID 1346	
direct cost budget-2018	687,317
Tax Billing Dept ID 1346	
direct cost budget-2010	605,681
Dollar Change	81,636
Percentage Change	13.5%

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

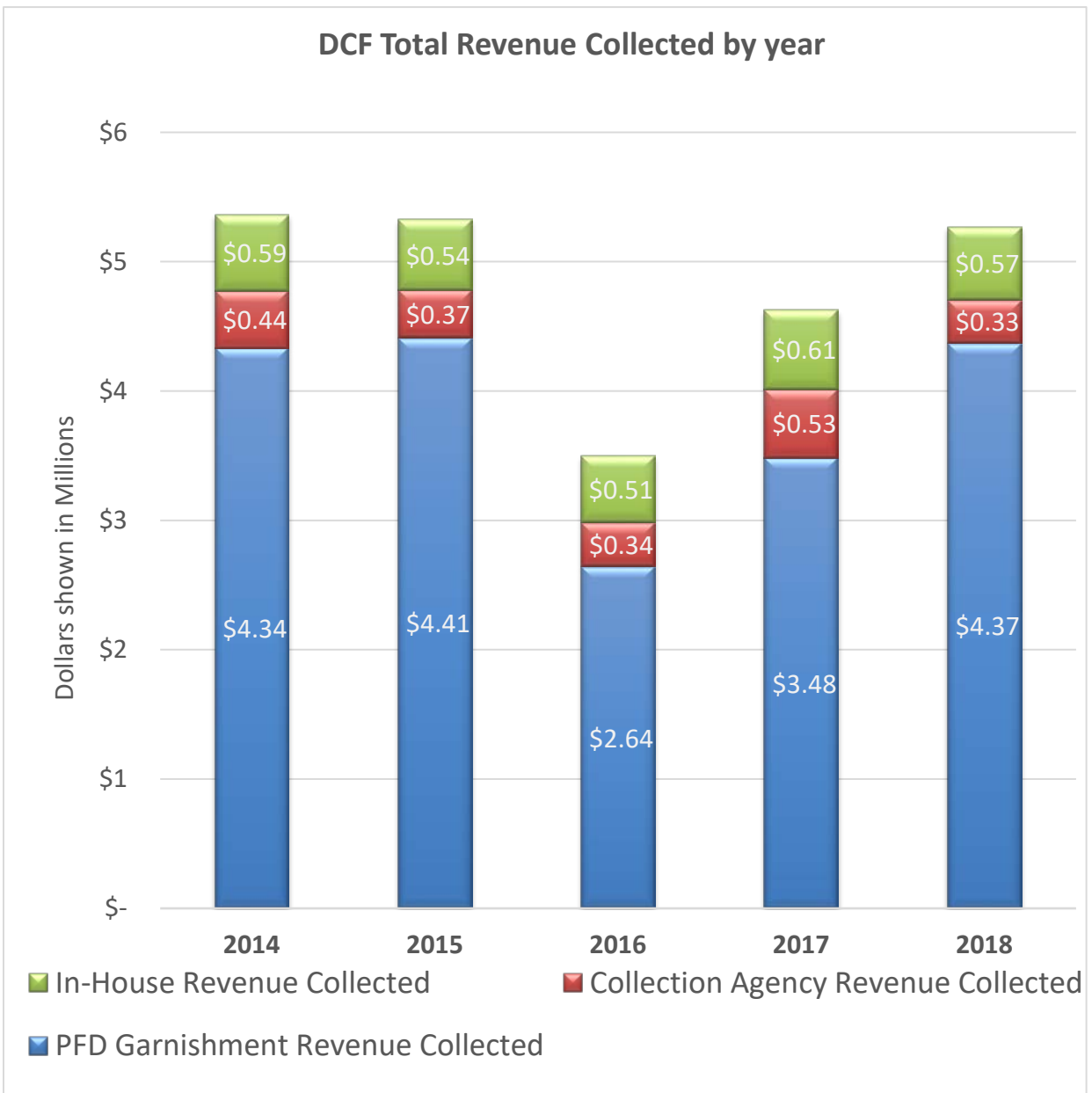


Measure #4: Timeliness of billings through PeopleSoft accounts receivable billing system

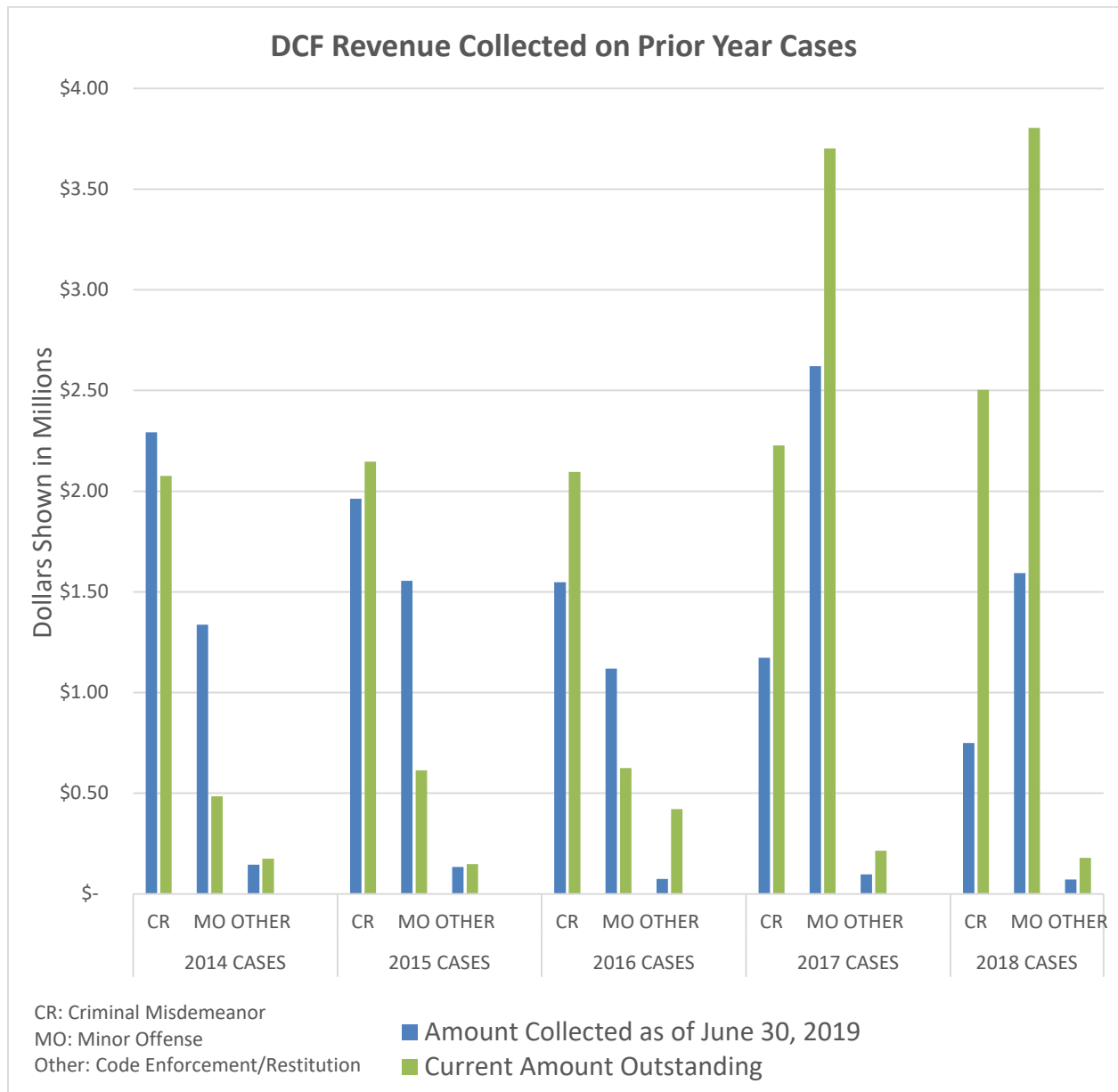


Measure #5: 5a.) Collections on delinquent criminal/civil fines and fees (DCF).

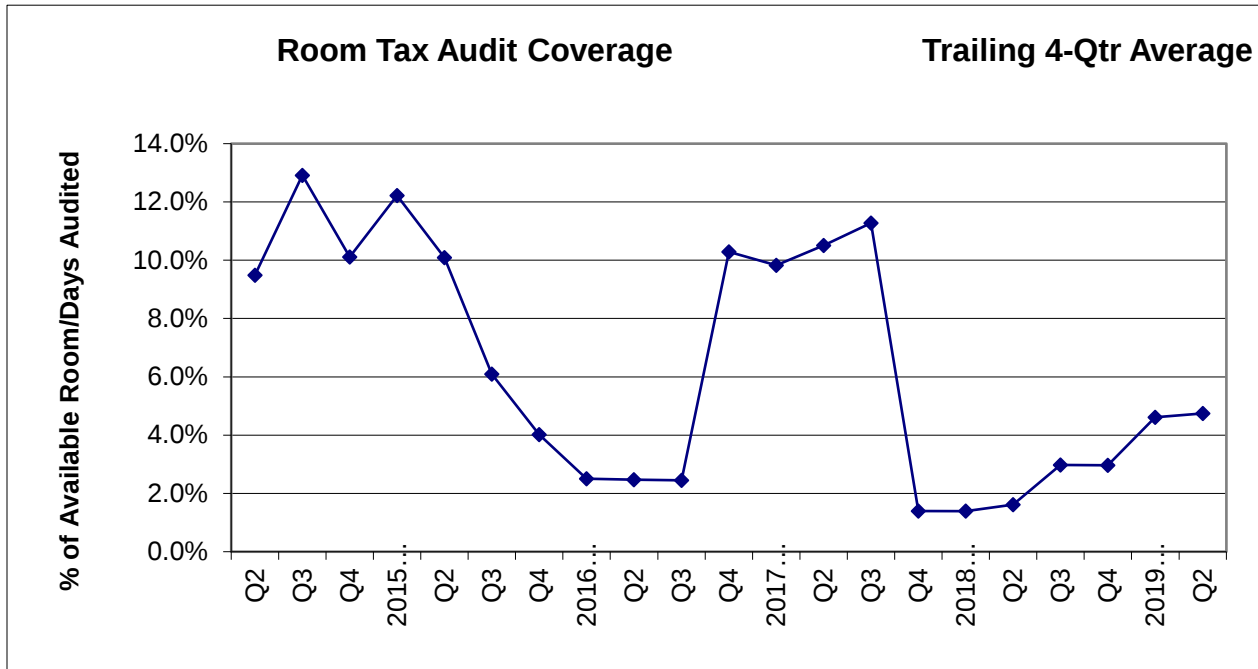
(5a.)



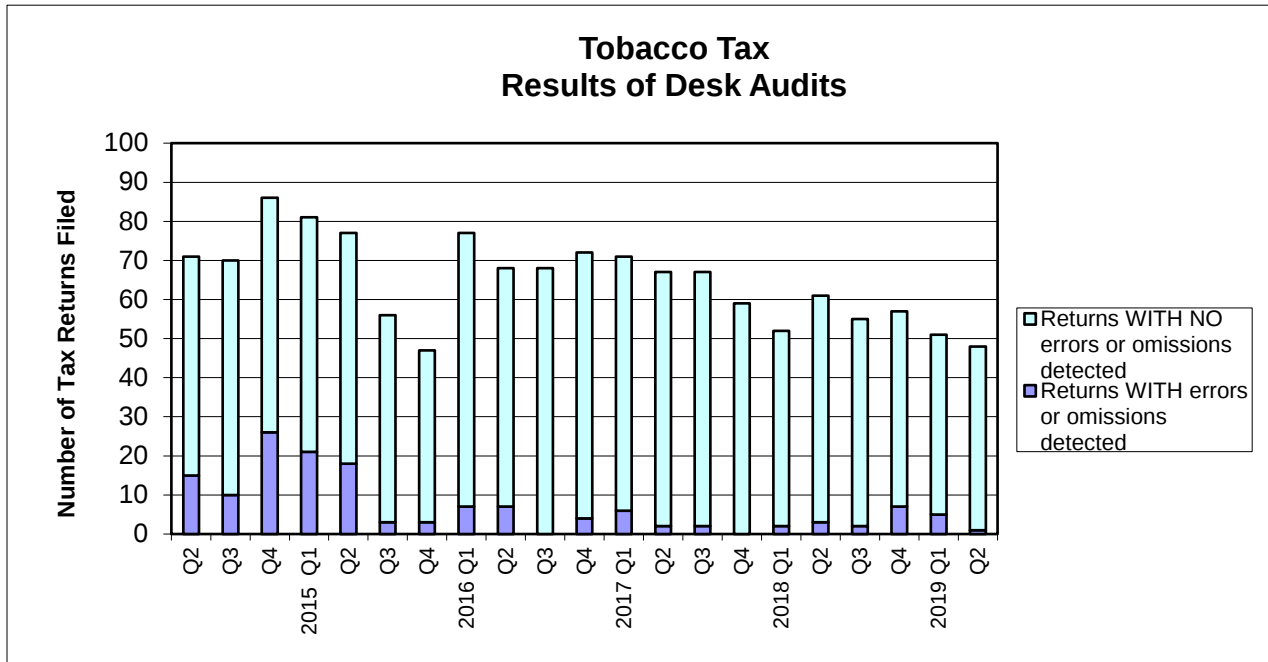
(5b.) Continuing collection efforts on trailing 5 years of DCF cases.



Measure #6: Audit coverage related to room tax (i.e., auditor examined rooms versus total annual number of rooms offered for rent by local operators)



Measure #7: Percent of incomplete or incorrect tobacco tax filings discovered through desk audits



PVR Measure WC: Managing Workers' Compensation Claims
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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.

