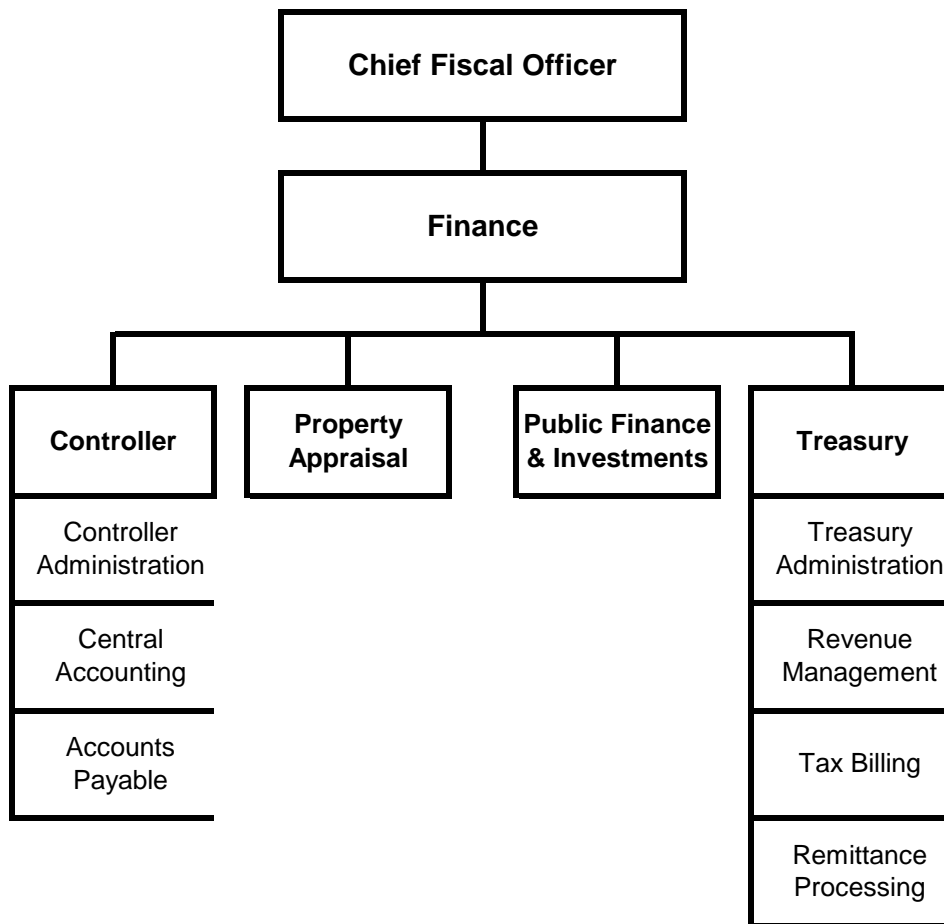


# Finance



## 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 also include cash receipt processing, remittance processing services and the MOA Trust Fund.

### 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 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.

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 diverse 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

	2019 Actuals	2020 Revised	2021 Proposed	21 v 20 % Chg
<b>Direct Cost by Division</b>				
FIN Controller	2,696,257	2,750,553	2,729,926	(0.75%)
FIN Property Appraisal	6,063,516	5,224,745	5,871,572	12.38%
FIN Public Finance & Investment	1,987,342	1,837,543	1,948,865	6.06%
FIN Treasury	3,321,956	3,411,836	3,440,193	0.83%
<b>Direct Cost Total</b>	<b>14,069,071</b>	<b>13,224,677</b>	<b>13,990,556</b>	<b>5.79%</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(806,797)	(1,580,132)	(1,601,203)	1.33%
<b>Function Cost Total</b>	<b>13,262,274</b>	<b>11,644,545</b>	<b>12,389,353</b>	<b>6.40%</b>
Program Generated Revenue	(4,683,045)	(3,212,531)	(2,993,479)	(6.82%)
<b>Net Cost Total</b>	<b>8,579,229</b>	<b>8,432,014</b>	<b>9,395,874</b>	<b>11.43%</b>
<b>Direct Cost by Category</b>				
Salaries and Benefits	10,766,048	11,378,603	11,574,744	1.72%
Supplies	56,512	57,035	60,042	5.27%
Travel	7,423	-	43,680	100.00%
Contractual/OtherServices	3,217,958	1,464,067	1,685,697	15.14%
Debt Service	5,750	303,172	603,393	99.03%
Equipment, Furnishings	15,380	21,800	23,000	5.50%
<b>Direct Cost Total</b>	<b>14,069,071</b>	<b>13,224,677</b>	<b>13,990,556</b>	<b>5.79%</b>
<b>Position Summary as Budgeted</b>				
Full-Time	90	92	92	-
Part-Time	1	1	1	-
<b>Position Total</b>	<b>91</b>	<b>93</b>	<b>93</b>	<b>-</b>

## Finance

### Reconciliation from 2020 Revised Budget to 2021 Proposed Budget

	Direct Costs	Positions		
		FT	PT	Seas/T
<b>2020 Revised Budget</b>	13,224,677	92	1	-
<b>2020 One-Time Requirements</b>				
- Reverse 2020 1Q one-time fuel reduction	3,007	-	-	-
- Reverse 2020 1Q one-time travel reduction	43,680	-	-	-
<b>Debt Service Changes</b>				
- <u>Property Appraisal</u> - CAMA lease debt service	300,221	-	-	-
<b>Changes in Existing Programs/Funding for 2021</b>				
- Salaries and benefits adjustments	161,417	-	-	-
- Overtime alignment - net 0 adjustment of the overtime budget into the accounts that the costs will actually post to	(26,412)	-	-	-
	26,412	-	-	-
- <u>Public Finance</u> - Contractual increases for revenue management	52,435	-	-	-
<b>2021 Continuation Level</b>	<b>13,785,437</b>	<b>92</b>	<b>1</b>	<b>-</b>
<b>2021 One-Time Requirements</b>				
- <u>Property Appraisal</u> - CAMA cutover and go-live support	93,185	-	-	-
- <u>Property Appraisal</u> - CAMA documentation and training	67,070	-	-	-
<b>2021 Proposed Budget Changes</b>				
- Executive salaries to stay flat from 2020	(9,201)	-	-	-
- Non-Represented pay scales to stay flat from 2020	(42,218)	-	-	-
- <u>Property Appraisal</u> - CAMA labor back to operating from capital project	86,143	-	-	-
- <u>Property Appraisal</u> - Ongoing Oracle licensing	10,140	-	-	-
<b>2021 Proposed Budget</b>	<b>13,990,556</b>	<b>92</b>	<b>1</b>	<b>-</b>

# Finance

## Division Summary

### FIN Controller

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

	2019 Actuals	2020 Revised	2021 Proposed	21 v 20 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	2,677,227	2,700,751	2,680,124	(0.76%)
Supplies	4,548	11,102	11,102	-
Travel	-	-	-	-
Contractual/Other Services	14,482	26,700	25,500	(4.49%)
Equipment, Furnishings	-	12,000	13,200	10.00%
<b>Manageable Direct Cost Total</b>	<b>2,696,257</b>	<b>2,750,553</b>	<b>2,729,926</b>	<b>(0.75%)</b>
Debt Service	-	-	-	-
Depreciation/Amortization	-	-	-	-
<b>Non-Manageable Direct Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost Total</b>	<b>2,696,257</b>	<b>2,750,553</b>	<b>2,729,926</b>	<b>-</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(2,368,006)	(2,464,058)	(2,443,363)	(0.84%)
<b>Function Cost Total</b>	<b>328,251</b>	<b>286,495</b>	<b>286,563</b>	<b>0.02%</b>
<b>Program Generated Revenue by Fund</b>				
Fund 101000 - Areawide General	48,316	7,000	7,000	-
<b>Program Generated Revenue Total</b>	<b>48,316</b>	<b>7,000</b>	<b>7,000</b>	<b>-</b>
<b>Net Cost Total</b>	<b>279,935</b>	<b>279,495</b>	<b>279,563</b>	<b>0.02%</b>
<b>Position Summary as Budgeted</b>				
Full-Time	21	20	20	-
<b>Position Total</b>	<b>21</b>	<b>20</b>	<b>20</b>	<b>-</b>

## Finance Division Detail FIN Controller

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

	2019 Actuals	2020 Revised	2021 Proposed	21 v 20 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	2,677,227	2,700,751	2,680,124	(0.76%)
Supplies	4,548	11,102	11,102	-
Travel	-	-	-	-
Contractual/Other Services	14,482	26,700	25,500	(4.49%)
Equipment, Furnishings	-	12,000	13,200	10.00%
<b>Manageable Direct Cost Total</b>	<b>2,696,257</b>	<b>2,750,553</b>	<b>2,729,926</b>	<b>(0.75%)</b>
Debt Service	-	-	-	-
<b>Non-Manageable Direct Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost Total</b>	<b>2,696,257</b>	<b>2,750,553</b>	<b>2,729,926</b>	<b>(0.75%)</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(2,368,006)	(2,464,058)	(2,443,363)	(0.84%)
<b>Program Generated Revenue</b>				
406625 - Reimbursed Cost-NonGrant Funded	7,552	7,000	7,000	-
408380 - Prior Year Expense Recovery	40,764	-	-	-
<b>Program Generated Revenue Total</b>	<b>48,316</b>	<b>7,000</b>	<b>7,000</b>	<b>-</b>
<b>Net Cost</b>				
Direct Cost Total	2,696,257	2,750,553	2,729,926	(0.75%)
Charges by/to Other Departments Total	(2,368,006)	(2,464,058)	(2,443,363)	(0.84%)
Program Generated Revenue Total	(48,316)	(7,000)	(7,000)	-
<b>Net Cost Total</b>	<b>279,935</b>	<b>279,495</b>	<b>279,563</b>	<b>0.02%</b>

**Position Detail as Budgeted**

	2019 Revised		2020 Revised		2021 Proposed	
	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	-
Infrastructure Accountant	-	-	1	-	1	-
Principal Admin Officer	1	-	1	-	1	-
Senior Accountant	4	-	3	-	3	-
Senior Finance Officer	1	-	1	-	1	-
Senior Staff Accountant	9	-	8	-	8	-
<b>Position Detail as Budgeted Total</b>	<b>21</b>	<b>-</b>	<b>20</b>	<b>-</b>	<b>20</b>	<b>-</b>

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

	2019 Actuals	2020 Revised	2021 Proposed	21 v 20 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	4,111,571	4,540,006	4,699,530	3.51%
Supplies	24,454	20,283	23,290	14.83%
Travel	4,950	-	13,680	100.00%
Contractual/Other Services	1,916,791	360,284	530,679	47.29%
Equipment, Furnishings	-	1,000	1,000	-
<b>Manageable Direct Cost Total</b>	<b>6,057,766</b>	<b>4,921,573</b>	<b>5,268,179</b>	<b>7.04%</b>
Debt Service	5,750	303,172	603,393	99.03%
Depreciation/Amortization	-	-	-	-
<b>Non-Manageable Direct Cost Total</b>	<b>5,750</b>	<b>303,172</b>	<b>603,393</b>	<b>99.03%</b>
<b>Direct Cost Total</b>	<b>6,063,516</b>	<b>5,224,745</b>	<b>5,871,572</b>	<b>-</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	2,425,464	1,747,692	1,842,974	5.45%
<b>Function Cost Total</b>	<b>8,488,980</b>	<b>6,972,437</b>	<b>7,714,546</b>	<b>10.64%</b>
<b>Program Generated Revenue by Fund</b>				
Fund 101000 - Areawide General	1,834,642	6,300	6,300	-
<b>Program Generated Revenue Total</b>	<b>1,834,642</b>	<b>6,300</b>	<b>6,300</b>	<b>-</b>
<b>Net Cost Total</b>	<b>6,654,338</b>	<b>6,966,137</b>	<b>7,708,246</b>	<b>10.65%</b>
<b>Position Summary as Budgeted</b>				
Full-Time	36	39	39	-
<b>Position Total</b>	<b>36</b>	<b>39</b>	<b>39</b>	<b>-</b>



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

	2019 Actuals	2020 Revised	2021 Proposed	21 v 20 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	4,111,571	4,540,006	4,699,530	3.51%
Supplies	24,454	20,283	23,290	14.83%
Travel	4,950	-	13,680	100.00%
Contractual/Other Services	1,916,791	360,284	530,679	47.29%
Equipment, Furnishings	-	1,000	1,000	-
<b>Manageable Direct Cost Total</b>	<b>6,057,766</b>	<b>4,921,573</b>	<b>5,268,179</b>	<b>7.04%</b>
Debt Service	5,750	303,172	603,393	99.03%
<b>Non-Manageable Direct Cost Total</b>	<b>5,750</b>	<b>303,172</b>	<b>603,393</b>	<b>99.03%</b>
<b>Direct Cost Total</b>	<b>6,063,516</b>	<b>5,224,745</b>	<b>5,871,572</b>	<b>12.38%</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	2,425,464	1,747,692	1,842,974	5.45%
<b>Program Generated Revenue</b>				
406130 - Appraisal Appeal Fee	5,826	5,000	5,000	-
406570 - Micro-Fiche Fees	50	100	100	-
406580 - Copier Fees	220	100	100	-
406610 - Computer Time Fees	-	100	100	-
406625 - Reimbursed Cost-NonGrant Funded	2,620	1,000	1,000	-
406670 - Sale Of Books	1,059	-	-	-
408380 - Prior Year Expense Recovery	29,266	-	-	-
460040 - Loan Proceeds	1,795,600	-	-	-
<b>Program Generated Revenue Total</b>	<b>1,834,642</b>	<b>6,300</b>	<b>6,300</b>	<b>-</b>
<b>Net Cost</b>				
Direct Cost Total	6,063,516	5,224,745	5,871,572	12.38%
Charges by/to Other Departments Total	2,425,464	1,747,692	1,842,974	5.45%
Program Generated Revenue Total	(1,834,642)	(6,300)	(6,300)	-
<b>Net Cost Total</b>	<b>6,654,338</b>	<b>6,966,137</b>	<b>7,708,246</b>	<b>10.65%</b>

**Position Detail as Budgeted**

	2019 Revised		2020 Revised		2021 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk III	4	-	4	-	4	-
Administrative Officer	1	-	2	-	2	-
Appraisal Analyst	10	-	10	-	10	-
Appraisal Supervisor	3	-	3	-	3	-
Appraiser	5	-	5	-	5	-
Exemption Review Clerk	-	-	2	-	2	-
Municipal Assessor	1	-	1	-	1	-
Property Appraisal Admin	2	-	2	-	2	-
Senior Admin Officer	1	-	1	-	1	-

# 2021 Proposed General Government Operating Budget

## Position Detail as Budgeted

	2019 Revised			2020 Revised			2021 Proposed	
	<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 Appraiser	9	-		9	-		9	-
<b>Position Detail as Budgeted Total</b>	<b>36</b>	<b>-</b>		<b>39</b>	<b>-</b>		<b>39</b>	<b>-</b>

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

	2019 Actuals	2020 Revised	2021 Proposed	21 v 20 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	914,533	970,325	999,212	2.98%
Supplies	1,521	2,100	2,100	-
Travel	2,473	-	30,000	100.00%
Contractual/Other Services	1,067,183	863,118	915,553	6.08%
Equipment, Furnishings	1,632	2,000	2,000	-
<b>Manageable Direct Cost Total</b>	<b>1,987,342</b>	<b>1,837,543</b>	<b>1,948,865</b>	<b>6.06%</b>
Debt Service	-	-	-	-
Depreciation/Amortization	-	-	-	-
<b>Non-Manageable Direct Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost Total</b>	<b>1,987,342</b>	<b>1,837,543</b>	<b>1,948,865</b>	<b>-</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	256,392	229,144	238,564	4.11%
<b>Function Cost Total</b>	<b>2,243,734</b>	<b>2,066,687</b>	<b>2,187,429</b>	<b>5.84%</b>
<b>Program Generated Revenue by Fund</b>				
Fund 164000 - Public Finance and Investment	2,250,012	2,484,722	2,512,157	1.10%
<b>Program Generated Revenue Total</b>	<b>2,250,012</b>	<b>2,484,722</b>	<b>2,512,157</b>	<b>1.10%</b>
<b>Net Cost Total</b>	<b>(6,278)</b>	<b>(418,035)</b>	<b>(324,728)</b>	<b>(22.32%)</b>
<b>Position Summary as Budgeted</b>				
Full-Time	6	6	6	-
<b>Position Total</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>-</b>

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

	2019 Actuals	2020 Revised	2021 Proposed	21 v 20 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	914,533	970,325	999,212	2.98%
Supplies	1,521	2,100	2,100	-
Travel	2,473	-	30,000	100.00%
Contractual/Other Services	1,067,183	863,118	915,553	6.08%
Equipment, Furnishings	1,632	2,000	2,000	-
<b>Manageable Direct Cost Total</b>	<b>1,987,342</b>	<b>1,837,543</b>	<b>1,948,865</b>	<b>6.06%</b>
Debt Service	-	-	-	-
<b>Non-Manageable Direct Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost Total</b>	<b>1,987,342</b>	<b>1,837,543</b>	<b>1,948,865</b>	<b>6.06%</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	256,392	229,144	238,564	4.11%
<b>Program Generated Revenue</b>				
406560 - Service Fees - School District	116,745	551,000	551,000	-
406625 - Reimbursed Cost-NonGrant Funded	1,182,390	380,660	380,660	-
408380 - Prior Year Expense Recovery	42,644	-	-	-
408580 - Miscellaneous Revenues	780,593	1,515,062	1,567,497	3.46%
440010 - GCP CshPool ST-Int(MOA/ML&P)	127,640	38,000	13,000	(65.79%)
<b>Program Generated Revenue Total</b>	<b>2,250,012</b>	<b>2,484,722</b>	<b>2,512,157</b>	<b>1.10%</b>
<b>Net Cost</b>				
Direct Cost Total	1,987,342	1,837,543	1,948,865	6.06%
Charges by/to Other Departments Total	256,392	229,144	238,564	4.11%
Program Generated Revenue Total	(2,250,012)	(2,484,722)	(2,512,157)	1.10%
<b>Net Cost Total</b>	<b>(6,278)</b>	<b>(418,035)</b>	<b>(324,728)</b>	<b>(22.32%)</b>

**Position Detail as Budgeted**

	2019 Revised		2020 Revised		2021 Proposed	
	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	-
<b>Position Detail as Budgeted Total</b>	<b>6</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>6</b>	<b>-</b>

## Finance

### Division Summary

#### FIN Treasury

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

	2019 Actuals	2020 Revised	2021 Proposed	21 v 20 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	3,062,717	3,167,521	3,195,878	0.90%
Supplies	25,989	23,550	23,550	-
Travel	-	-	-	-
Contractual/Other Services	219,502	213,965	213,965	-
Equipment, Furnishings	13,748	6,800	6,800	-
<b>Manageable Direct Cost Total</b>	<b>3,321,956</b>	<b>3,411,836</b>	<b>3,440,193</b>	<b>0.83%</b>
Debt Service	-	-	-	-
Depreciation/Amortization	-	-	-	-
<b>Non-Manageable Direct Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost Total</b>	<b>3,321,956</b>	<b>3,411,836</b>	<b>3,440,193</b>	<b>-</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(1,120,647)	(1,092,910)	(1,239,378)	13.40%
<b>Function Cost Total</b>	<b>2,201,309</b>	<b>2,318,926</b>	<b>2,200,815</b>	<b>(5.09%)</b>
<b>Program Generated Revenue by Fund</b>				
Fund 101000 - Areawide General	550,075	714,509	468,022	(34.50%)
<b>Program Generated Revenue Total</b>	<b>550,075</b>	<b>714,509</b>	<b>468,022</b>	<b>(34.50%)</b>
<b>Net Cost Total</b>	<b>1,651,234</b>	<b>1,604,417</b>	<b>1,732,793</b>	<b>8.00%</b>
<b>Position Summary as Budgeted</b>				
Full-Time	27	27	27	-
Part-Time	1	1	1	-
<b>Position Total</b>	<b>28</b>	<b>28</b>	<b>28</b>	<b>-</b>

## Finance Division Detail

### FIN Treasury

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

	2019 Actuals	2020 Revised	2021 Proposed	21 v 20 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	3,062,717	3,167,521	3,195,878	0.90%
Supplies	25,989	23,550	23,550	-
Travel	-	-	-	-
Contractual/Other Services	219,502	213,965	213,965	-
Equipment, Furnishings	13,748	6,800	6,800	-
<b>Manageable Direct Cost Total</b>	<b>3,321,956</b>	<b>3,411,836</b>	<b>3,440,193</b>	<b>0.83%</b>
Debt Service	-	-	-	-
<b>Non-Manageable Direct Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost Total</b>	<b>3,321,956</b>	<b>3,411,836</b>	<b>3,440,193</b>	<b>0.83%</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(1,120,647)	(1,092,910)	(1,239,378)	13.40%
<b>Program Generated Revenue</b>				
401010 - Real Property Tax (Excludes ASD)	10,252	-	-	-
401030 - P & I on Delinquent Tax	658	222	222	-
401040 - Tax Cost Recoveries	2,138	100	100	-
404220 - Miscellaneous Permits	81,040	60,000	60,000	-
406020 - Inspections	(292)	-	-	-
406400 - Fire Alarm Fees	(500)	-	-	-
406600 - Late Fees	16,657	8,000	8,000	-
406625 - Reimbursed Cost-NonGrant Funded	410,049	646,187	399,700	(38.14%)
408060 - Other Collection Revenues	14,727	-	-	-
408380 - Prior Year Expense Recovery	15,224	-	-	-
408550 - Cash Over & Short	87	-	-	-
408580 - Miscellaneous Revenues	36	-	-	-
<b>Program Generated Revenue Total</b>	<b>550,075</b>	<b>714,509</b>	<b>468,022</b>	<b>(34.50%)</b>
<b>Net Cost</b>				
Direct Cost Total	3,321,956	3,411,836	3,440,193	0.83%
Charges by/to Other Departments Total	(1,120,647)	(1,092,910)	(1,239,378)	13.40%
Program Generated Revenue Total	(550,075)	(714,509)	(468,022)	(34.50%)
<b>Net Cost Total</b>	<b>1,651,234</b>	<b>1,604,417</b>	<b>1,732,793</b>	<b>8.00%</b>

### Position Detail as Budgeted

	2019 Revised		2020 Revised		2021 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk II	1	-	1	-	1	-
Accounting Clerk III	7	-	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	-

**Position Detail as Budgeted**

	2019 Revised		2020 Revised		2021 Proposed	
	<u>Full Time</u>	<u>Part Time</u>	<u>Full Time</u>	<u>Part Time</u>	<u>Full Time</u>	<u>Part Time</u>
Junior Administrative Officer	1	-	1	-	1	-
Municipal Treasurer	1	-	1	-	1	-
Principal Admin Officer	1	-	1	-	1	-
Senior Admin Officer	2	-	2	-	2	-
Senior Staff Accountant	-	1	-	1	-	1
SME-Section Lead	1	-	1	-	1	-
Tax Enforcement Officer I	3	-	3	-	3	-
Tax Enforcement Officer II	3	-	3	-	3	-
<b>Position Detail as Budgeted Total</b>	<b>27</b>	<b>1</b>	<b>27</b>	<b>1</b>	<b>27</b>	<b>1</b>

*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:	2014	2015	2016	2017	2018
# Management Letter Points in Annual Audit Management Letter	2	2	3	8	1

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

2018 – Audit concluded  
2019 – Audit in progress

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

For Audit Year:	2016	2017	2018	2019	2020
Overtime Cost:	\$149,533	\$130,287	\$250,570	\$75,401	\$53,807

**Measure #4: Cost to produce vendor checks.**

<b>Accounts Payable Division</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
\$ cost per transaction	11.72	12.01	11.36	13.41	12.82
# invoices processed for departments	32,138	30,492	26,679	25,833	11,764

## Property Appraisal Division Finance Department

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### 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%)

2012	2013	2014	2015	2016	2017	2018	2019	2020
95%	96%	96%	96%	96%	95%	96%	95%	96%

**Measure #2: Number of properties inspected per year.**

<b>Year</b>	<b>Percentage of total required inspections completed by December 31<sup>st</sup> of year</b>
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	60% of target
2020	26% of target as of 6-30-2020 (primary work done in Q2 and Q3)

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

<b>Year</b>	<b>Appeals Filed</b>	<b>Appeals Completed by June 1<sup>st</sup></b>	<b>Percentage Complete</b>
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	99.8%
2017	395	390	98.7%
2018	357	357	100%
2019	706	675	95.6%
2020	383	364	95.0%

\* It is highly likely that the Division will not meet the required inspections due to extraordinary circumstances in 2020.

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## **Public Finance & Investments Division**

### **Finance Department**

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#### **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 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	AAA Stable	AA+ Stable
2020 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	Refunding Par Amount	Nominal Savings	NPV Savings
<b>2009</b>	AWWU-Water	49,680,000	149,533,362	5,848,119
<b>2010</b>	GO-GP (refunding) C-1	11,840,000	1,036,948	1,137,757
	GO-GP (restructuring) C-2	11,910,000	-2,225,384	-583,328
<b>2011</b>	GO-Schools (refunding) C	28,310,000	1,947,120	1,832,934
<b>2012</b>	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
<b>2013</b>	No Refunding Activity			
<b>2014</b>	GO-GP (refunding) B	78,430,000	11,375,985	10,446,307
	GO-Schools (refunding) D	37,150,000	4,247,874	3,633,494
	ML&P Refunding	180,575,000	1,720,900	1,444,736
<b>2015</b>	GO-GP (refunding) B	115,250,000	13,142,354	12,667,732
	GO-Schools (refunding) D	81,040,000	10,155,939	9,198,977
	CIVICVentures (refunding)	93,970,000	17,203,908	9,099,922
<b>2016</b>	GO-Schools (refunding) C	41,960,000	4,444,132	4,297,132
<b>2017</b>	AWWU-Water	88,660,000	21,549,897	16,521,828
	AWWU-Wastewater	64,895,000	14,799,257	11,324,814
	AWWU-Water Refunding (T)	13,915,000	7,215,937	278,533
<b>2018</b>	GO-GP (refunding) B	20,265,000	617,965	1,199,551
	GO-Schools (refunding) D	57,020,000	6,827,125	6,301,871
<b>2019</b>	GO-GP (refunding) B	27,750,000	3,729,199	3,385,347
	GO-Schools (refunding) D	10,295,000	1,359,022	1,242,941

<b>Financing Program</b>	<b>Savings</b>
Master Lease Program 2008 – 2019	\$ 1,000,000
Port Commercial Paper Program 2008 – 2015	9,600,000
Port Direct Loan Agreement 2016 – 2019	2,400,000
ML&P Commercial Paper Program 2012 – 2015	27,400,000
ML&P Direct Loan Agreement 2016 – 2019	12,776,000
ASU Direct Loan Agreement 2013 – 2019	9,380,000
ASU Intermediate Term Borrowing Program (ITBP) 2017 – 2019	750,000
AWU Direct Loan Agreement 2013 – 2019	11,900,000
AWU Intermediate Term Borrowing Program (ITBP) 2017 – 2019	1,500,000
Tax Anticipation Notes Issues 2006 – 2019*	12,721,537
<b>2008 – 2019 Savings Achieved</b>	<b>\$ 87,706,000</b>

\* 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 year.
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	

	<b>August</b>	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 ratio slip to 32.8%. The ratios returned to over 50% the following day when debt service payments were disbursed for September 1.
<b>2017</b>	<b>Yes</b>	
<b>2018</b>	<b>Yes</b>	Full Compliance for entire year.
<b>2019</b>	<b>Yes with exceptions</b>	
	<b>May</b>	On May 31, a large inflow of cash due to property tax payments was received which caused KeyBank repurchase agreement to have uninvested cash over the weekend. This caused overall percentage of government securities in the internally managed portfolio to dip below the 50% minimum. This was corrected on June 3.
	<b>July</b>	A large inflow of cash due to property tax payments was received which caused KeyBank repurchase agreement to have uninvested cash over the weekend. This caused overall percentage of government securities in the internally managed portfolio to dip below the 50% minimum. This was corrected and routine.
	<b>August</b>	A large transfer made on August 30 <sup>th</sup> to pay debt service was made to account for a holiday weekend. The subsequent payment made on September 3 corrected the money market accounts which exceeded maximum value of 25% as set forth in P&P.
<b>2020</b>	<b>Yes with exceptions</b>	
	<b>February and March</b>	A large number of investments were scheduled to mature in late February and March. In addition, the Fed dropped interest rates sharply, causing several large non-maturing investments to be called. The unprecedented market reaction to the Coronavirus Pandemic which occurred in late February and into March made it impossible to re-invest maturing and called assets at a reasonable yield. We have been monitoring markets and will reinvest when it is prudent to do so.
	<b>April and May</b>	A large number of number of investments were scheduled to mature in late February and March. In addition, the Fed dropped interest rates sharply, causing several large non-maturing investments to be called. The unprecedented market reaction to the Coronavirus Pandemic which occurred in late February and into March made it impossible to re-invest maturing and called assets at a reasonable yield. We have been monitoring markets and will reinvest when it is prudent to do so.

**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.

	YTD 03/31 2020*	2019	2018	2017	2016	2015
<b>BlackRock Portfolio</b>	<b>-1.90</b>	<b>9.18</b>	<b>-0.04</b>	<b>3.63</b>	<b>2.96</b>	<b>1.32</b>
Benchmark	-1.45	8.56	0.23	3.34	2.89	1.07
Excess Return	-0.45	0.62	-0.27	0.29	-0.15	0.25
<b>PNC Portfolio</b>	<b>1.26</b>	<b>4.35</b>	<b>1.70</b>	<b>1.19</b>	<b>1.35</b>	<b>0.81</b>
Benchmark	1.69	4.03	1.60	0.84	0.93	0.57
Excess Return	-0.43	0.32	0.10	0.35	0.42	0.24
<b>APCM Portfolio</b>	<b>0.37</b>	<b>2.58</b>	<b>1.85</b>	<b>0.90</b>	<b>0.49</b>	<b>0.23</b>
Benchmark	0.57	2.28	1.87	0.86	0.33	0.05
Excess Return	-0.20	0.30	-0.02	0.04	0.16	0.18
<b>Total MCP</b>	<b>-0.65</b>	<b>5.44</b>	<b>0.67</b>	<b>2.06</b>	<b>1.78</b>	<b>0.78</b>

Values are expressed as percentages

\* Quarter 2 returns were not available at the time of producing this report

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**Division of Treasury**  
**Department of Finance**  
*Anchorage: Performance. Value. Results.*

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**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 2020)**

**Efficiency Measure (budgeted cost):** Since 2010, Treasury's direct cost budget has increased \$126K (+3.9%)

**Effectiveness Measure (budgeted revenue):** Since 2010 Treasury's direct annual revenue collection total has increased \$115.4M (+21.4% )

	millions of dollars		
Treasury Function/Group	2019 Revenues Budgeted	2019 Budgeted Direct Costs	Calculated multiple (revenue-to-cost ratio)
Prop. tax revenues *	\$559.84	\$0.81	690X
Program tax revenues	\$83.63	\$0.89	94X
Delinquent. crim./civil fines & fees	\$5.27	\$0.64	9X
MOA Trust Fund contribution	\$6.50	\$0.74	9X
<b>Total</b>	<b>\$655.24</b>	<b>\$3.09</b>	<b>213X</b>

\* Revenues include real and personal property taxes, 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 \$0.95M to provide indirect support of over \$735M of general government budgeted 100 fund operating revenues associated with centralized cash journal posting and audit, 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 3<sup>rd</sup> party servicers (e.g., property taxpayers, mortgage/title cos., lodging industry, etc.)**

**Treasury Tax Performance Statistics**

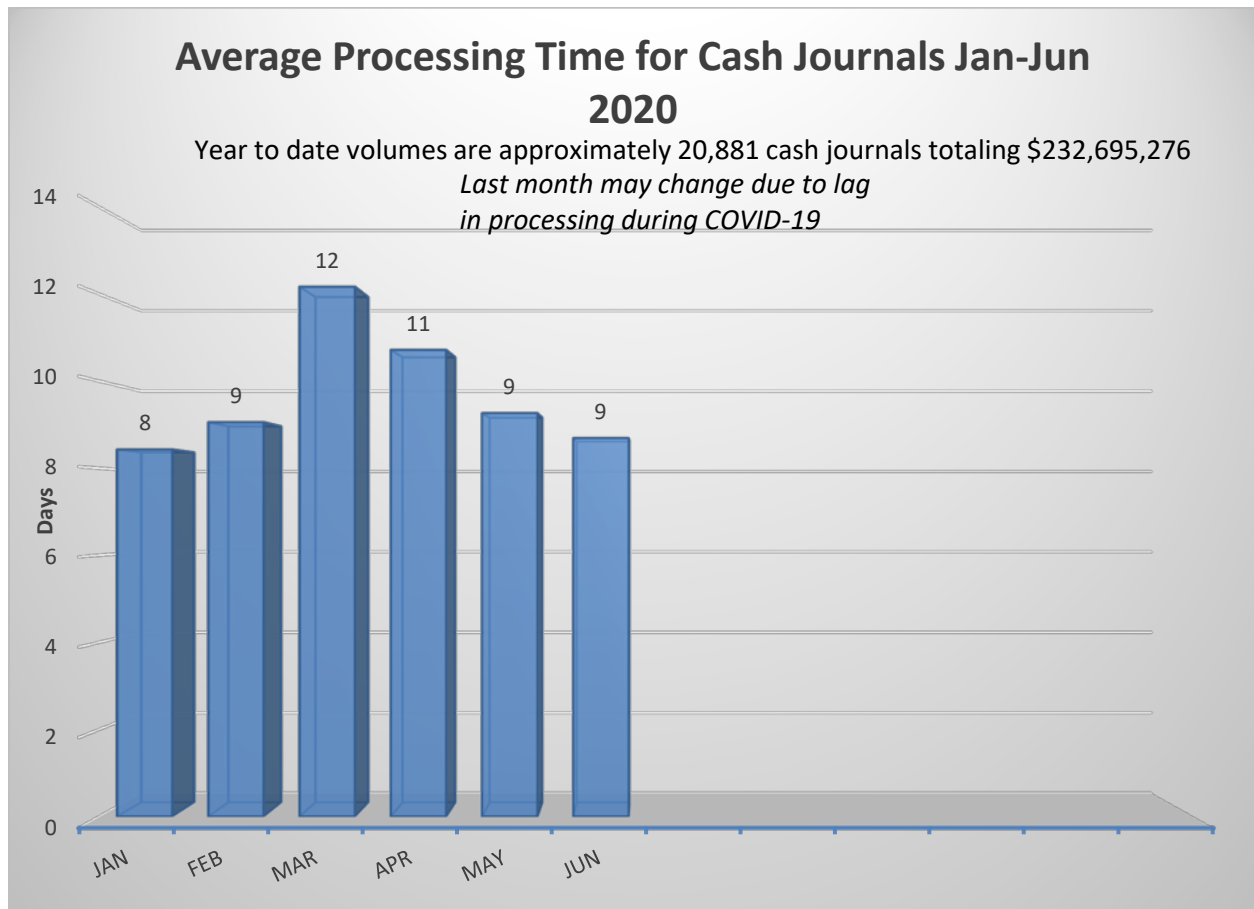
Measurement	2017	2018	2019	Comments
<b>Tax web site and e-commerce</b>				
# of in-coming calls	6,747	6,842	6,924	12/31 Year-end; personnel count of 4
Average wait time	62	72	63	Reported in seconds
# of website hits	1,579,594	1,975,411	2,130,723	Includes Property Taxes and CAMA
# of credit card payments (via phone/web and in-person)	3,712	4,112	4,419	
# of e-check payments	2,567	2,973	3,229	
Total # of credit card + e-check payments	6,279	7,085	7,648	

**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.**

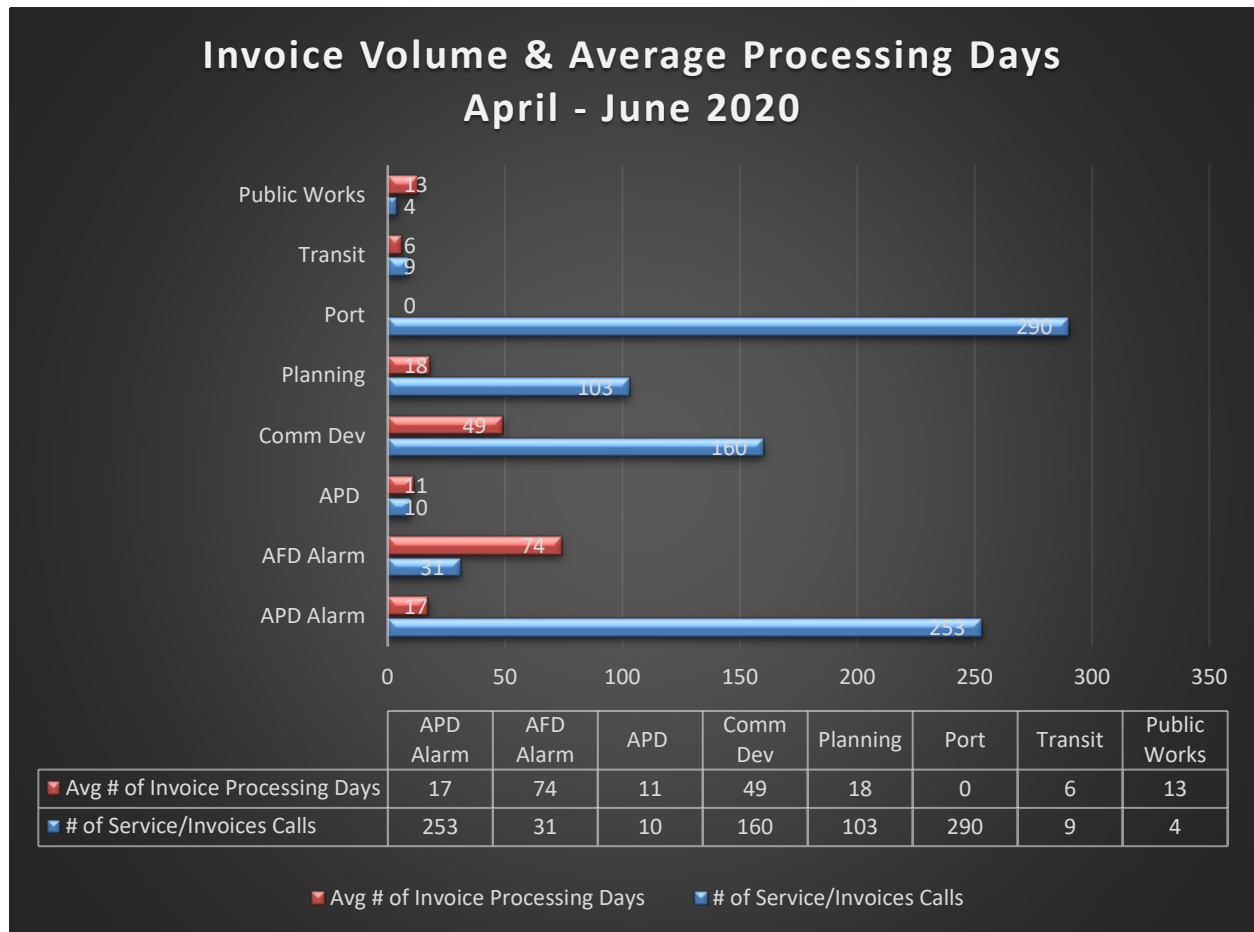
Percentage increase in # of web hits since year 2010 66%  
 Percentage increase in volume of e-commerce payments since year 2010 93%

Tax Billing Dept ID 1346  
 direct cost budget-2019 612,487  
 Tax Billing Dept ID 1346  
 direct cost budget-2010 605,681  
 Dollar Change 6,806  
 Percentage Change 1.1%

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



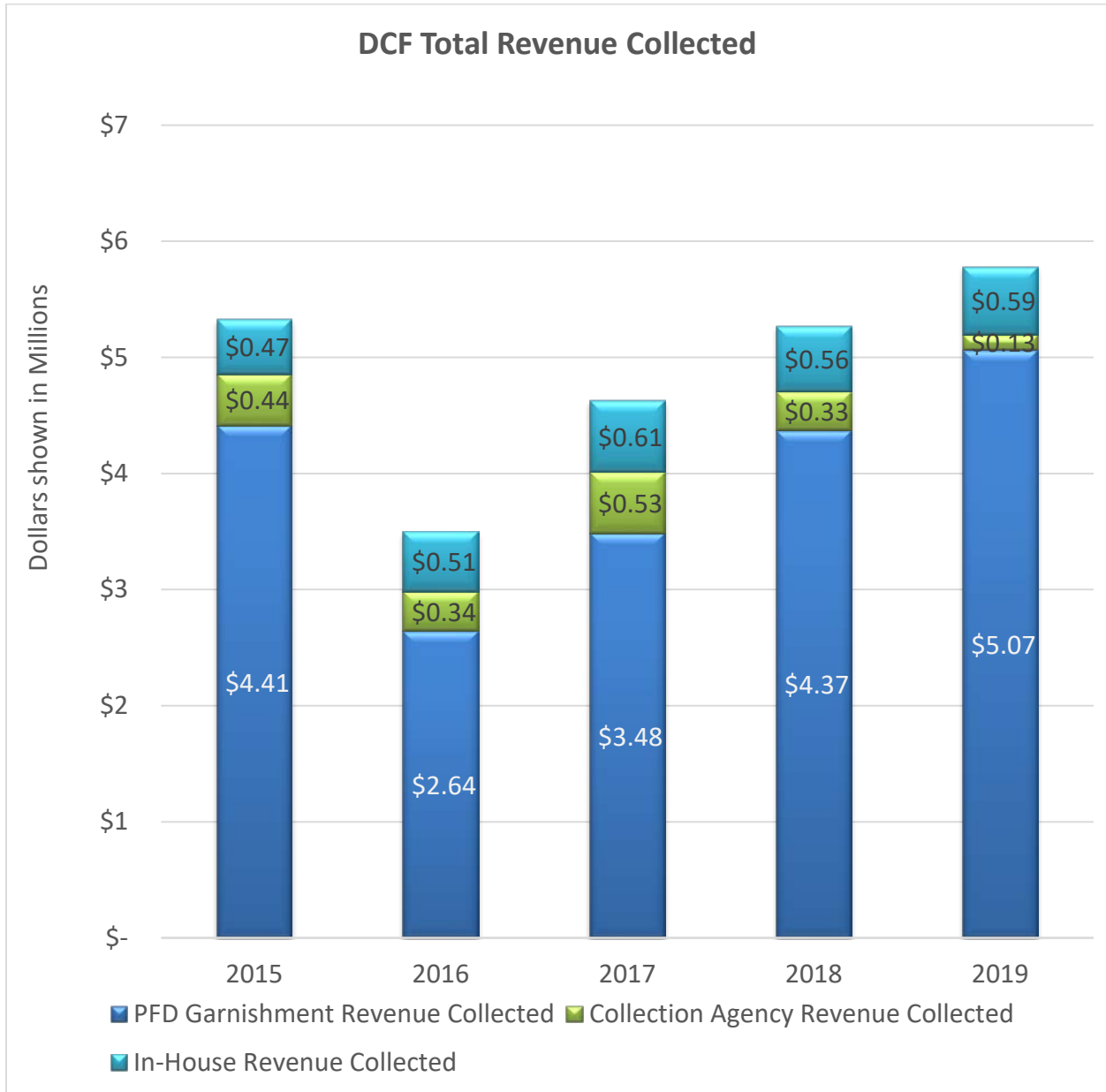
**Measure #4: Timeliness of billings through SAP accounts receivable billing system**



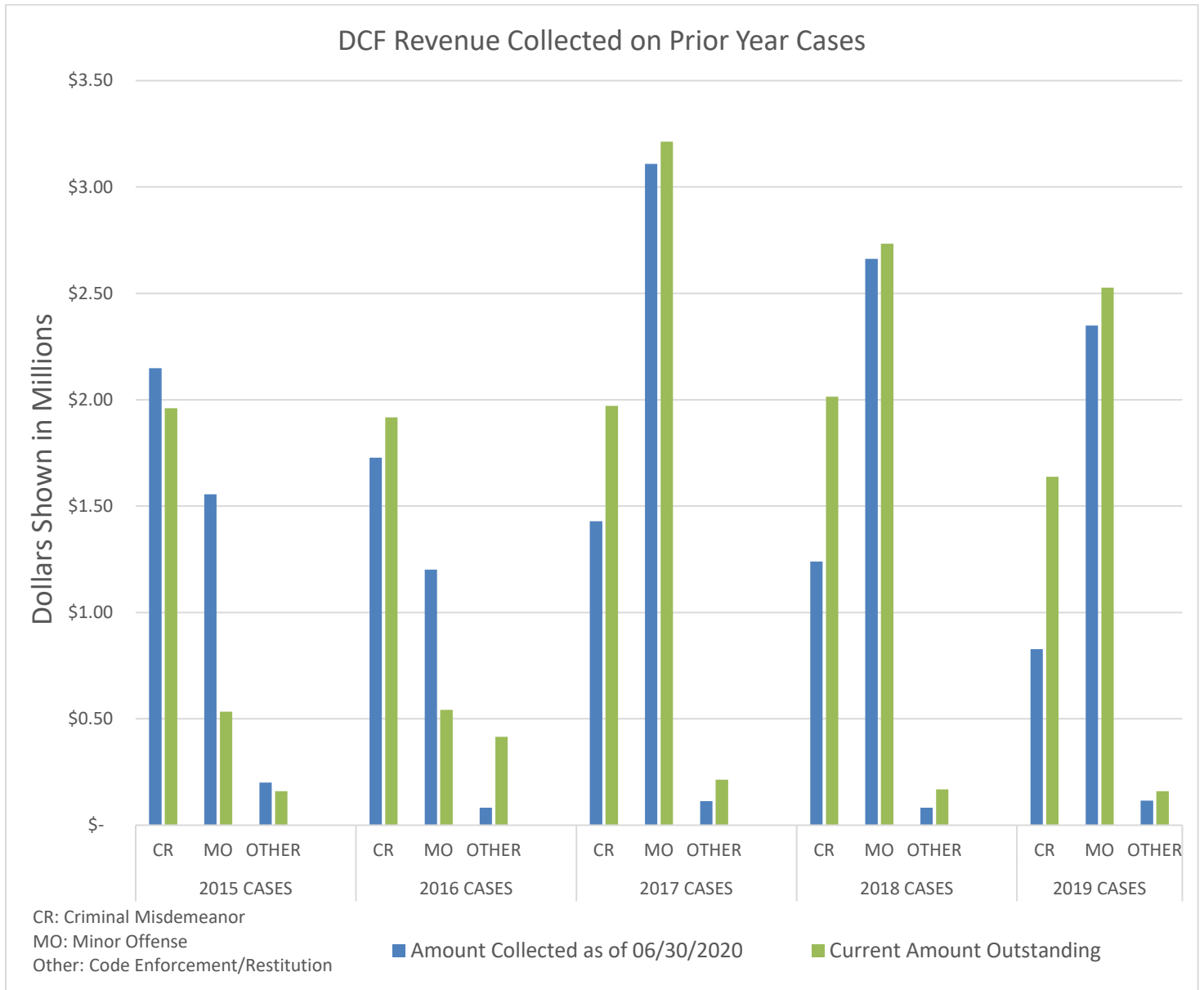


**Measure #5: 5a.) Collections on delinquent criminal/civil fines and fees (DCF).**

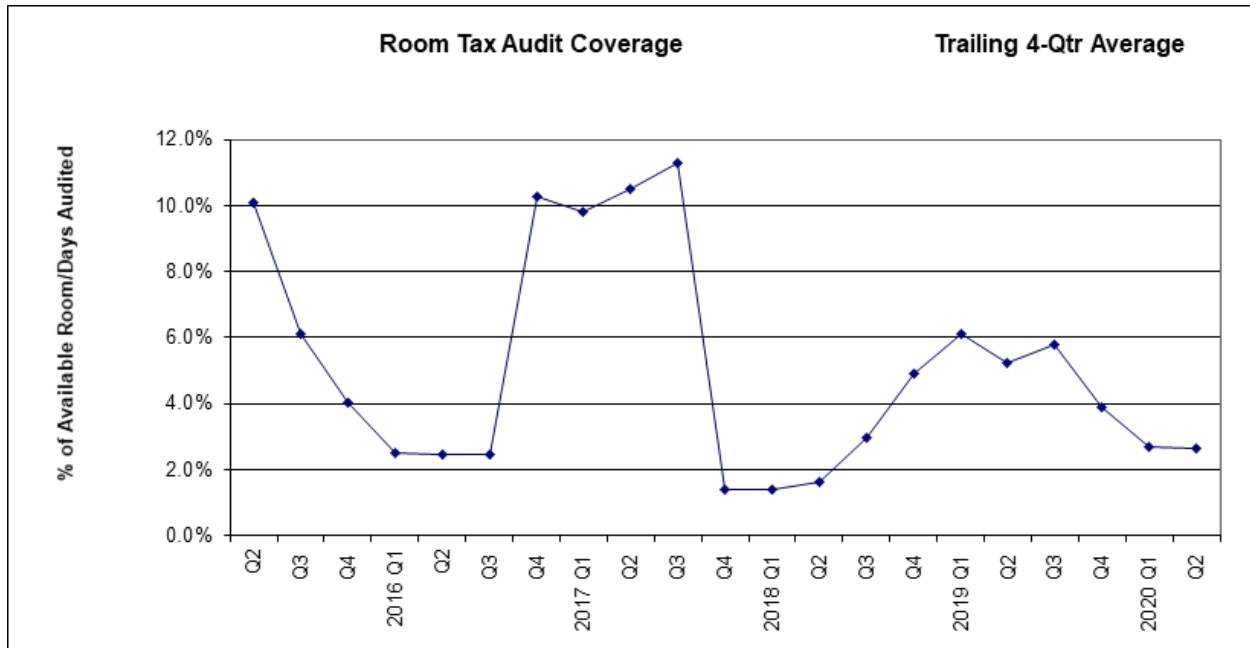
(5a.)



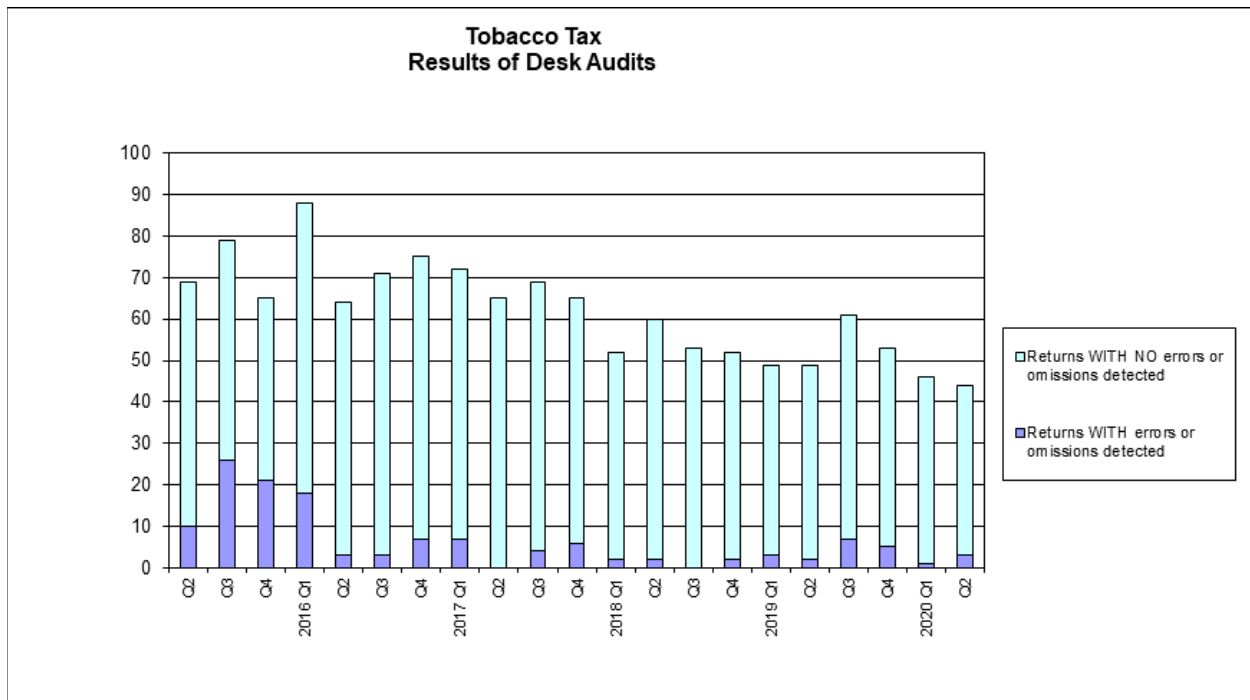
**(5b.) Continuing collection efforts on trailing 5 years of DCF cases.**



**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**

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.

